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EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 01/17/2020 02:12 PM PG: 1 OF 22

This instrument was prepared by and:
after recording, this instrument
should be returned to:

Pamela Casir
Assistant General Counsel
Chicago Housing Authority
Office of the General Counsel
60 East Van Buren, 12th Floor
Chicago, IL 60605

RIGHT OF FIRST REFUSAL AGREEMENT

41044527 (18) (Rental Development)

THIS RIGHT OF FIRST REFUSAL AGREEMENT ("Agreement") is entered into as of the 16th day of January, 2020, by and among the **CHICAGO HOUSING AUTHORITY**, an Illinois municipal corporation ("**CHA**"), **SOUTHBRIDGE 1 HOUSING MM LLC**, an Illinois limited liability company (the "**Managing Member**"), **SOUTHBRIDGE 4 MASTER OWNER LLC**, an Illinois limited liability company (the "**Owner**"), and **SOUTHBRIDGE 1-4 HOUSING LLC**, an Illinois limited liability company (the "**Affordable Tenant**") and is consented to hereinbelow by **GS SOUTHBRIDGE 4% INVESTOR OPPORTUNITY FUND LP**, a Delaware limited partnership (the "**Consenting Investor Member**").

Recitals

A. The Managing Member and Consenting Investor Member have entered into that certain Amended and Restated Operating Agreement, dated as of January 17, 2020 (the "**Operating Agreement**"), which governs the Affordable Tenant. Pursuant to the Operating Agreement, the Consenting Investor Member has the right to approve this Agreement.

B. CHA is the owner in fee simple of that certain parcel of real property described in **Exhibit A** attached hereto (the "**Land**"), located in the City of Chicago, Cook County, Illinois. CHA, as landlord and TCB Development Services LLC, an Illinois limited liability company ("**TCB LLC**"), as initial tenant, are concurrently herewith entering into a ground lease for the Land, (the "**Ground Lease**"). TCB LLC is concurrently assigning their entire leasehold estate under the Ground Lease to the Owner.

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C. The Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011; 42 U.S. C. 1437f(o)(13) (as heretofore or hereafter amended, the “**RAD Act**”) authorized the Rental Assistance Demonstration Program (the “**RAD Program**”). Subsequently the United States Secretary of Housing and Urban Development (“**HUD**”) issued PIH Notice 2012-32 published on July 26, 2012, amended by PIH 2012-32 Rev. 2 on June 10, 2015, Rev. 3 on January 12, 2017 and Rev 4 on September 5, 2019 and as further amended from time to time. Under the RAD Program, public housing authorities can convert funding for public housing units to project-based voucher assistance (“**RAD Units**”).

D. The Owner intends to develop on the Land a multi-family residential mixed-use development consisting of a total of one hundred three (103) residential housing dwelling units (the “**Rental Units**”), in one (1) condominium building, 10,100 square feet of commercial and retail space, fifty-three parking spaces and related improvements to be known as Southbridge Phase IA (the “**Development**”). The Development will contain fifty-one (51) units leased by the Owner to low-income persons and families who qualify as eligible tenants under Section 42 of the Internal Revenue Code of 1986, as amended (the “**Code**”) of which thirty-four (34) units will be RAD Units and fifty-two market rate units.

E. Upon construction completion of the Development, Owner intends to enter into a Leasehold Declaration of Condominium Ownership and Easements, Restrictions, Covenants and By-Laws and submit the Development constructed on the Leasehold Estate to the provisions of the Illinois Condominium Property Act (765 ILCS 605) in order to create a seven-unit leasehold condominium to be known as The Southbridge 1-4 Condominium Association which will include: 1) five (5) condominium units (collectively, the “**Residential Affordable Unit**”) consisting of fifty-one (51) affordable units, including the thirty-four (34) RAD units; 2) one (1) condominium unit (the “**Residential Market Unit**”) consisting of fifty-two (52) market rate residential units; and 3) one (1) condominium unit (the “**Commercial Unit**”) consisting of approximately 10,100 square feet of commercial space.

F. The Owner intends to lease the Residential Affordable Unit to the Affordable Tenant pursuant to a Master Lease Agreement (the “**Master Lease**”) entered into concurrently with this Agreement. The term of the Master Lease Agreement is ninety-nine (99) years and Affordable Tenant will be considered the owner of the Residential Affordable Unit.

E. Concurrently herewith, CHA, as contract administrator, Owner and Affordable Tenant are entering into a Project Based Voucher Rental Assistance Demonstration Housing Assistance Payment Contract (“the “**HAP Contract**”) with respect to the RAD Units, which obligates the Owner and the Affordable Tenant to lease the RAD Units to CHA tenants for an initial period of at least twenty (20) years, with mandatory twenty (20) year renewals. The initial period and the renewal periods during which the Owner and the Affordable Tenant are obligated to lease the RAD Units to CHA tenants pursuant to the HAP Contract is hereinafter referred to as the “**HAP Term**”. The HAP Contract also obligates CHA, during the HAP Term, to make rental assistance payments to the Owner with respect to the RAD Units.

F. The Development is or will be subject to one or more governmental agency regulatory and redevelopment agreements as described on Exhibit B attached hereto (said regulatory and redevelopment agreements, and the HAP Contract are collectively referred to as

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the “**Regulatory Agreements**”) restricting the use of certain of the dwelling units to low-income housing, and, in the case of the HAP Contract, restricting the use of certain of the dwelling units to RAD Units (such use restrictions under the Regulatory Agreements being collectively referred to herein as the “**Use Restrictions**”).

G. The parties have agreed that CHA shall have a right of first refusal to purchase the RAD Units upon the expiration of the HAP Term or earlier termination of the HAP Contract, as more particularly described below.

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

I. Concurrently with the execution of this Agreement, the Affordable Tenant, the Managing Member, the Consenting Investor Member have entered into that certain Purchase Option and Right of First Refusal Agreement (the “**Subordinate Right of First Refusal Agreement**”), the form of which has been approved by HUD and CHA, pursuant to the terms of which Managing Member shall have an option and right of first refusal to purchase the Affordable Tenant’s leasehold interest in the Residential Affordable Unit following the end of the Compliance Period (as such term is defined in the Extended Use Agreement). The Subordinate Right of First Refusal shall expressly provide that (i) it shall be subordinate in all respects to this Agreement, the HAP Contract, the Mortgages (as such term is hereafter defined) and the RAD Use Agreement (as such term is hereafter defined) and (ii) any assignment by Managing Member of its rights thereunder shall be subject to the prior written approval of HUD and the Authority.

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

1. **Grant of Refusal Right.** (a) The Owner, with the consent of the Affordable Tenant, hereby grants to CHA the right of first refusal (the “**Refusal Right**”) to purchase the RAD Units on the terms and subject to the conditions set forth in this Agreement. The parties acknowledge that the RAD Units may float among the Rental Units from time to time, so the Refusal Right shall apply to those units that are RAD Units on the HAP Term Expiration Date. Except as provided in Subparagraph (b) and subject to Subparagraph (c) below, the Refusal Right shall apply only in the event that the Owner receives an offer to purchase the Development, or any portion thereof that includes one or more of the RAD Units (a “**Purchase Offer**”), with a closing to occur on or after the date that the HAP Contract is to expire (the “**HAP Term Expiration Date**”). If the Owner receives such a Purchase Offer, the Owner shall, within fourteen (14) days after receipt thereof, give written notice (the “**Purchase Offer Notice**”) to CHA (and to such other parties as required under the Owner’s organizational documents) of such Purchase Offer, which shall be accompanied by a copy of such Purchase Offer and the Owner’s estimate of the Purchase Price (as that term is hereinafter defined) that would be payable by CHA for the RAD Units. The Owner shall not accept any Purchase Offer unless and until the same is subject to the Refusal Right (i.e. that such Purchase Offer must include an acknowledgement from the prospective purchaser that the Owner is not

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obligated to sell the RAD Units to the prospective purchaser if the Refusal Right is exercised), unless the Refusal Right Period (as that term is hereinafter defined) has expired without exercise of the Refusal Right by CHA. As used herein, "**Refusal Right Period**" shall mean the period commencing on the date of CHA's receipt of the Purchase Offer Notice and ending six (6) months after such date. The Refusal Right may be exercised by CHA giving written notice of exercise of the Refusal Right (the "**Exercise Notice**") to the Owner prior to the expiration of the Refusal Right Period. If the Owner has timely provided to CHA the estimate of the Purchase Price (the Owner acknowledges that such estimate will be a material factor in CHA's decision whether to exercise the Refusal Right) and CHA fails to give the Exercise Notice prior to the expiration of the Refusal Right Period for any reason, the Refusal Right shall expire and be of no further force or effect.

(b) If the HAP Contract is terminated prior to the HAP Term Expiration Date, the Refusal Right shall apply in the event that the Owner receives any Purchase Offer: (i) if the Earliest Closing Date (as defined herein) has occurred, within the six (6) month period immediately succeeding the date that the HAP Contract is terminated, or (ii) if the Earliest Closing Date has not yet occurred, within the period commencing on the date the HAP Contract is terminated and continuing until the Earliest Closing Date (but not less than 6 months) regardless of the date of closing under such Purchase Offer. In such event, all of the other provisions of Subparagraph (a) shall apply.

(c) CHA acknowledges that, notwithstanding the proper exercise of its Refusal Right under Section 1(a), CHA will not close on the purchase of the RAD Units before the earlier to occur (the "**Earliest Closing Date**") of (i) the day following the last day of the Extended Use Period as set forth and defined in the Low Income Housing Tax Credit Extended Use Agreement ("**Extended Use Agreement**") between the Owner, the Affordable Tenant and the Illinois Housing Development Authority ("**IHDA**"); or (ii) the day following the day such Extended Use Agreement terminates; provided that if, upon the occurrence of the Earliest Closing Date as determined in accordance with clause (i) or clause (ii) above, there remains outstanding any portion of the balance of the Mortgage Loan (as hereafter defined), then the Earliest Closing Date shall be extended to the earlier to occur of (x) the maturity date of the Mortgage securing the Mortgage Loan or (y) the date that the entire outstanding balance of the Mortgage Loan is repaid.

(d) CHA acknowledges and agrees that, prior to the expiration or earlier termination of the "**Extended Use Period**" (as defined in and determined in accordance with Section 42 of the Code), without the prior written consent of IHDA: (i) the Refusal Right may not be transferred or assigned; and (ii) without the consent of the Owner, the closing of the purchase of the RAD Units pursuant to the exercise of the Refusal Right may not occur.

2. **Obligation to Market.** The Owner shall actively market and solicit offers to purchase the RAD Units, the Residential Affordable Unit or the Development commencing not later than the earlier of: (a) twelve (12) months preceding the HAP Term Expiration Date; and (b) if the HAP Contract is terminated prior to the HAP Term Expiration Date, the date the HAP Contract is terminated, but no earlier than twelve (12) months prior to the Earliest Closing Date.

3. **Purchase Price Under Refusal Right.** The purchase price for the RAD Units payable by CHA under the Refusal Right shall be equal to the greater of: (a) the sum of: (i) the Proportionate Share (as that term is hereinafter defined) of an amount sufficient to pay all debts

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(including principal, interest and penalties) of the Owner (not including unsecured member loans), plus (ii) an amount sufficient for the Owner to pay the federal and state taxes, if any, projected to be imposed on the Owner as a result of the sale of the RAD Units pursuant to the Refusal Right; and plus (iii) an amount sufficient for the Owner to distribute to the members of the Owner (the “**Members**”) cash proceeds equal to the federal and state taxes imposed on the Members as a result of the sale of the RAD Units pursuant to the Refusal Right, (the purchase price determined under this Clause (a) is hereinafter referred to as the “**Debt Plus Taxes Price**”); and (b) the minimum allowable purchase price determined under Section 42(i)(7)(B) of the Code with the application of the Proportionate Share calculation (the purchase price determined under this Clause (b) is hereinafter referred to as the “**Code Price**”). The purchase price for the RAD Units, determined in accordance with the foregoing provisions of this Section 3, is hereinafter referred to as the “**Purchase Price**”. If, at the time of the Closing (as that term is hereinafter defined), the Debt Plus Taxes Price applies, and the actual amounts due under Clauses (a)(ii) and (a)(iii) are not then determinable, those amounts shall be projected based upon the assumed tax liability at the highest applicable tax rate to the Owner and the Members, and such amounts shall be adjusted when the actual amounts can be determined. As used herein, the term “**Proportionate Share**” means, with respect to any loan secured by a mortgage on the Development or any portion thereof, a fraction, the numerator of which is the total square footage of all of the RAD Units, and the denominator of which is the total square footage of all the units in the Development encumbered by such mortgage. Within fourteen (14) days after receipt of a request from CHA therefore, the Owner shall provide to CHA the Owner’s estimate of the Purchase Price (as that term is hereinafter defined) that would be payable by CHA for the RAD Units. Promptly after CHA delivers the Exercise Notice to the Owner, CHA and the Owner shall use their best efforts in good faith to agree upon the Purchase Price for the RAD Units. In the event a foreclosure sale has extinguished the mortgages encumbering the Development, then for purposes of determining the Debt Plus Taxes Price, the amount of debt on the Development shall be deemed to be equal to the purchase price paid for the Owner’s leasehold rights in the Development at the foreclosure sale, together with interest at the lowest applicable federal rate from the date of such purchase to the date of closing, provided however, that CHA shall be entitled to a credit against the Purchase Price in an amount equal to the amount of all outstanding mortgage indebtedness of the Owner to CHA (the “**CHA Aliquot**”) as of the date the foreclosure was initiated, and further provided that nothing contained herein shall require the payment to CHA in cash of any excess by which the CHA Aliquot exceeds the Debt Plus Taxes Price payable hereunder.

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

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

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

(a) CHA shall not have defaulted (and, if applicable, no Permitted Assignee (as that term is hereinafter defined) shall have defaulted) in a material respect under any of its obligations to the Owner under this Agreement, the HAP Contract, or any other loan documents or collateral documents by and between CHA (or such Permitted Assignee) and the Owner, provided that the Owner has given written notice of such default to CHA and such default remains uncured, and

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

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

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

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on the other Rental Units in the Development not being purchased hereunder); and (b) the Owner shall deliver to CHA the following: (i) a Special Warranty Deed conveying the RAD Units to CHA (and appropriate documents to convey or transfer to CHA any parking spaces appurtenant thereto), free and clear of all liens, claims, encumbrances and other matters other than: (A) the matters set forth on Exhibit B attached hereto; (B) the provisions of the condominium declaration that governs such units and the Condominium Act (as hereinafter defined); and (C) such other matters as CHA does not reasonably disapprove; and (ii) an ALTA owner's title insurance policy (with extended coverage and an ALTA Condominium Endorsement Form 4 for the condominium units), in the amount of the Purchase Price, insuring CHA's title to the RAD Units. CHA and the Owner shall also execute and deliver such other documents as are customary in similar transactions in the City of Chicago.

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

8. **Assignment.** Notwithstanding Section 1(d) of this Agreement, CHA may assign all or any of its rights under this Agreement with respect to the Refusal Right to: (a) a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code; (b) a government agency; or (c) a tenant organization (in cooperative form or otherwise) or resident management corporation of the Development or the RAD Units; in each case with the prior written consent of the Owner (each a "Permitted Assignee"), which consent shall not be unreasonably withheld if the proposed assignee demonstrates: (i) its ability and willingness to operate and maintain the RAD Units as low-income housing in accordance with the Use Restrictions; and (ii) that it is reputable and creditworthy and is a capable, experienced owner and operator of affordable residential rental property. Any such assignment shall be subject to the conditions precedent to the exercise of the Refusal Right set forth in Section 5. Prior to any assignment or proposed assignment of its rights hereunder, CHA shall give written notice thereof to the Owner. If CHA proposes to assign its rights hereunder to a qualified non-profit in accordance with clause (a) above, CHA shall give notice of the proposed assignment not less than sixty (60) days prior to the assignment or proposed assignment. If within fifteen (15) days following receipt of such notice, the Owner notifies CHA that an affiliate of the Owner that meets the definition of qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code (the "Owner's Proposed Assignee"), wishes to assume CHA's rights hereunder with respect to the RAD Units, and provided that the following conditions precedent are satisfied, CHA shall assign its rights hereunder to the Owner's Proposed Assignee:

(a) the Owner and the Affordable Tenant shall not have defaulted (and, if applicable, the Owner's Proposed Assignee shall not have defaulted) in a material respect under any of its obligations to CHA under this Agreement, the HAP Contract, or any other loan documents or collateral documents by and between the Owner (or the Owner's Proposed Assignee), the Affordable Tenant and CHA, provided that CHA has given written notice of such default to the Owner and such default remains uncured; and

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

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

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

10. **Additional Definitions.**

"Mortgage(s)" shall mean any mortgage or deed of trust encumbering the Development, or any portion thereof, as security for a loan.

"Mortgage Loan(s)" shall mean, collectively, the mortgage loan(s) or other mortgages securing financing arrangements secured by Mortgages and obtained by the Owner to assist in financing or refinancing the construction and development of the Development, other than any CHA loans.

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11. **Subordinate Option and Right of First Refusal.** The parties hereto consent to the execution and delivery of the Subordinate Right of First Refusal Agreement and Subordinate Purchase Option Agreement in the form approved by CHA and HUD. Any person that acquires any interest in any part of the Development through the exercise of any rights under or pursuant to the Subordinate Right of First Refusal Agreement shall acquire such interest subject to the rights of CHA and HUD under this Agreement, the RAD Use Agreement and the HAP Contract. References herein to the "Owner" shall also be deemed to include such person upon the acquisition of such interest.

12. **Miscellaneous.**

(a) **Governing Law.** This Agreement shall be construed and enforced in accordance with the law of the State of Illinois, without giving effect to any choice or conflict of law provision or rule that would cause the application of the law of any jurisdiction other than the State of Illinois.

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

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

(d) **Entire Agreement.** This Agreement constitutes the entire agreement among the parties and supersedes any prior agreement or understanding among them with respect to the subject matter hereof.

(e) **Amendments in Writing.** In no event shall this Agreement or any terms, provisions or conditions hereof be deemed to be amended, modified or changed in any manner whatsoever, except and unless set forth and provided for in writing executed by the party to be charged therewith.

(f) **Notices.** Any notice or other communication given or made pursuant to this Agreement shall be in writing and shall be deemed giving if (i) delivered personally or by courier, (ii) sent by overnight express delivery, or (iii) mailed by respective address set forth below (or at such other address as shall be specified by the party by like notice given to the other party):

If to CHA:

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

with a copy to:

Chicago Housing Authority
60 East Van Buren St., 12th Floor

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Chicago, Illinois 60605
Attention: Chief Legal Officer

If to the Owner or Managing Member:

Southbridge 4 Master Owner LLC
c/o The Community Builders
135 South LaSalle Street, Suite 3350
Chicago, Illinois 60603
Attention: Director of Development

with copy to:

Southbridge 1-4 Housing LLC
c/o The Community Builders
135 South LaSalle Street, Suite 3350
Chicago, Illinois 60603
Attention: Director of Development

with a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attention: Paul Davis

with a copy to:

The Community Builders
185 Dartmouth Street
Boston, MA 02116
Attention: General Counsel

With a copy to:

GS Southbridge 4% Investor Opportunity Fund LP
Urban Investment Group
c/o Goldman Sachs Group
200 West Street
New York, New York 10282
Attention: Urban Investment Group Portfolio
Manager
Email: gs-uig-portfolio-manager@gs.com

with a copy to:

GS Southbridge 4% Investor Opportunity Fund LP
Urban Investment Group
c/o Goldman Sachs Bank USA
200 West Street
New York, NY 10282
Attention: Scott Maxfield
Email: scott.maxfield@gs.com

with a copy to:

Michael Dalton
2001 Ross Avenue, 32nd Floor
Dallas, Texas 75201

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Attention: Urban Investment Group LIHTC
Portfolio Manager
Email: michael.dalton@gs.com

with a copy to: gs-uig-docs@gs.com

with a copy to: Sidley Austin LLP
One South Dearborn Street
Chicago, IL 60603
Attention: Philip C. Spahn
Email: pspahn@sidley.com

(f) **Captions.** The captions of this Agreement are for convenience of reference only and in no way define, limit or describe the scope or intent of this Agreement nor in any way affect this Agreement.

(g) **Agreement Not to be Construed Against Either Party.** Each of the parties has been represented by counsel in connection with the negotiation and drafting of this Agreement. Accordingly, this Agreement shall not be construed against or for any party.

(h) **Disclaimer of Relationships.** Nothing contained in this Agreement nor any act of CHA shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of principal or agent, limited or Managing Membership or joint venture, or to create or imply any association or relationship involving CHA.

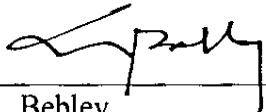
[Signatures appear on the following page.]

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

CHICAGO HOUSING AUTHORITY:

Chicago Housing Authority
an Illinois municipal corporation

By: 

James L. Bebley
Acting Chief Executive Officer

MANAGING MEMBER:

SOUTHBRIDGE 1 HOUSING MM LLC
an Illinois liability company

By: _____
William Woodley
Authorized Agent

OWNER:

SOUTHBRIDGE 4 MASTER OWNER LLC,
an Illinois limited liability company

By: Ickes Master Developer JV, LLC,
its sole member

By: The Community Builders, Inc.,
its managing member

By: _____
William Woodley
Its Authorized Agent

Property of Cook County Clerk's Office

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

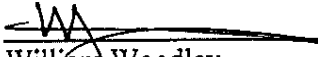
CHICAGO HOUSING AUTHORITY:

Chicago Housing Authority
an Illinois municipal corporation

By: _____
James L. Bebley
Acting Chief Executive Officer

MANAGING MEMBER:

SOUTHBRIDGE 1 HOUSING MM LLC
an Illinois liability company

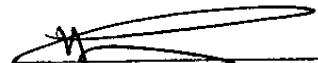
By:  _____
William Woodley
Authorized Agent

OWNER:

SOUTHBRIDGE 4 MASTER OWNER LLC,
an Illinois limited liability company

By: Ickes Master Developer JV, LLC,
its sole member

By: The Community Builders, Inc.,
its managing member

By:  _____
William Woodley
Its Authorized Agent

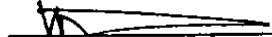
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AFFORDABLE TENANT

SOUTHBRIDGE 1-4 HOUSING LLC,
an Illinois limited liability company

By: Southbridge 1 Housing MM LLC,
its managing member

By: The Community Builders, Inc.,
its managing member

By: 
William Woodley
Authorized Agent

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The undersigned hereby consents to the foregoing Agreement as of the date first set forth hereinabove,

CONSENTING INVESTOR MEMBER;

GS SOUTHBRIDGE ^{4%}INVESTOR OPPORTUNITY FUND LP
a Delaware limited partnership

By:



Andrea Gift Allan
Authorized Signatory

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ACKNOWLEDGMENT

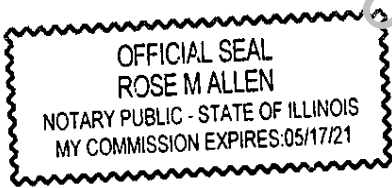
STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, Rose M. Allen, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that James L. Bebley, Acting Chief Executive Officer of the **Chicago Housing Authority**, an Illinois municipal corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Acting Chief Executive Officer, appeared before me this day in person and acknowledged that he or she signed and delivered said instrument as his or her own free and voluntary act and as the free and voluntary act of said municipal corporation, for the uses and purposes therein set forth.

³⁰ Given under my hand and official seal this 14th day of January, 2019.

Rose M. Allen

Notary Public



STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do certify that William Woodley, personally known to me to be the Authorized Agent of Southbridge 1 Housing MM LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by the board of directors of Southbridge 1 Housing MM LLC, as her/his free and voluntary act and as the free and voluntary act of TCB, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 20__.

Notary Public
My Commission Expires _____

UNOFFICIAL COPY

ACKNOWLEDGMENT

STATE OF ILLINOIS)
) ss.
 COUNTY OF COOK)

I, _____, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that James L. Bebley, Acting Chief Executive Officer of the **Chicago Housing Authority**, an Illinois municipal corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Chief Executive Officer, appeared before me this day in person and acknowledged that he or she signed and delivered said instrument as his or her own free and voluntary act and as the free and voluntary act of said municipal corporation, for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____, 2019.

 Notary Public

STATE OF ILLINOIS)
) ss.
 COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do certify that William Woodley, personally known to me to be the Authorized Agent of Southbridge 1 Housing MM LLC, an Illinois limited liability company, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by the board of directors of Southbridge 1 Housing MM LLC, as her/his free and voluntary act and as the free and voluntary act of TCB, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 16 day of December, 2019.

 Notary Public
 My Commission Expires 4-29-22

STATE OF ILLINOIS)

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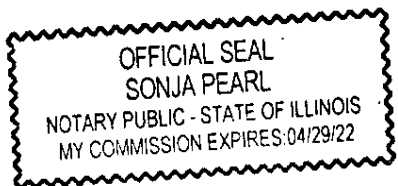
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do certify that William Woodley, personally known to me to be the authorized agent of The Community Builders, Inc., the managing member of Ickes Master Developer JV, LLC, (the "Managing Member"), the sole and managing member of Southbridge 4 Master Owner LLC, 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 severally acknowledged that as such Authorized Agent, s/he signed and delivered the said instrument, pursuant to authority given by the members of the Managing Member as the free and voluntary act of such person, and as the free and voluntary act and deed of the Managing Member and Southbridge 4 Master Owner LLC, for the uses and purposes therein set forth.

Given under my hand and official seal this 16 day of December, 2019.

Sonja Pearl (Notary
Public)

My commission expires April 29, 2022.



STATE OF)
) SS
COUNTY OF)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do certify that William Woodley, personally known to me to be the Authorized Agent of Southbridge 1-4 Housing LLC, an Illinois limited liability company and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Authorized Agent, s/he signed and delivered the said instrument, pursuant to authority given by the board of directors of Southbridge 1-4 Housing LLC as the free and voluntary act of such person, and as the free and voluntary act and deed of Southbridge 1-4 Housing LLC, for the uses and purposes therein set forth.

Given under my hand and official seal this 16 day of December, 2019.

Sonja Pearl (Notary
Public)

My commission expires April 29, 2022.



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STATE OF NEW YORK)
) ss.:
COUNTY OF *KINGS*)

On the 20th day of Dec. in the year 2019 before me, the undersigned, a notary public in and for said state, personally appeared Andrea Givi Allan, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Theresa Mendez
Notary Public

THERESA MENDEZ
Notary Public, State of New York
No. 01ME6274031
Qualified in Kings County
Commission Expires Dec. 24, 2020

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EXHIBIT A

LEGAL DESCRIPTION OF THE LEASEHOLD ESTATE

The Estate or Interest in the Land described below and covered herein is:

THE LEASEHOLD ESTATE CREATED BY THE GROUND LEASE EXECUTED BY: CHICAGO HOUSING AUTHORITY, AN ILLINOIS MUNICIPAL CORPORATION, AS LESSOR AND TCB DEVELOPMENT SERVICE LLC, AN ILLINOIS LIMITED LIABILITY COMPANY, AND, SOUTHBRIDGE 4 MASTER OWNERS LLC, AN ILLINOIS LIABILITY COMPANY, AS ASSIGNEE/TENANT BY ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF GROUND LEASE; WHICH GROUND LEASE IS DATED JANUARY 16, 2020 AND WAS RECORDED Jan 17, 2020 AS DOCUMENT 2001719057 AND ASSIGNED BY ASSIGNMENT AND ASSUMPTION AND AMENDMENT OF GROUND LEASE DATED JANUARY 16, 2020 WHICH WAS RECORDED Jan 17, 2020 AS DOCUMENT 2001719058 WHICH GROUND LEASE DEMISES THE FOLLOWING DESCRIBED LAND FOR A TERM OF 99 YEARS BEGINNING JANUARY 16, 2020 AND ENDING JANUARY 15, 2119:

THAT PART OF LOTS 1 THROUGH 12 (BOTH INCLUSIVE), THAT PART OF LOTS 40 THROUGH 46 (BOTH INCLUSIVE), AND THAT PART OF THE NORTH-SOUTH 15 FOOT WIDE PUBLIC ALLEY VACATED PER DOCUMENT NUMBER 15805877, RECORDED JANUARY 6, 1854, ALL IN BLOCK 10, IN UHLICH AND MUHLKE'S ADDITION TO CHICAGO, A SUBDIVISION OF THE EAST HALF OF THE NORTHEAST QUARTER (EXCEPT THE SOUTH HALF OF THE SOUTH HALF THEREOF) IN SECTION 28, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID LOT 1; THENCE SOUTH 01 DEGREES 31 MINUTES 56 SECONDS EAST, ALONG AN ASSUMED BEARING, BEING THE EAST LINE OF SAID LOTS 1 THROUGH 12, ALSO BEING THE WEST LINE OF STATE STREET, 289.70 FEET; THENCE SOUTH 88 DEGREES 29 MINUTES 48 SECONDS WEST 116.21 FEET; THENCE NORTH 01 DEGREES 31 MINUTES 56 SECONDS WEST 74.55 FEET; THENCE SOUTH 88 DEGREES 28 MINUTES 04 SECONDS WEST 35.00 FEET; THENCE NORTH 01 DEGREE 31 MINUTES 56 SECONDS WEST 151.00 FEET; THENCE NORTH 88 DEGREES 28 MINUTES 04 SECONDS EAST 37.00 FEET; THENCE NORTH 01 DEGREE 31 MINUTES 56 SECONDS WEST 64.15 FEET TO A POINT ON THE NORTH LINE OF SAID LOT 1; THENCE NORTH 88 DEGREES 29 MINUTES 48 SECONDS EAST ALONG SAID NORTH LINE, ALSO BEING THE SOUTH LINE OF W. 23RD STREET 114.21 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PROPERTY PINS

Property Pins: 17-28-218-028 (affects part of the land and other property);
17-28-218-029 (affects part of the land and other property); and
17-28-218-030 (affects part of the land and other property)

Common Addresses: 2302-2322 S. State Street, Chicago IL 60616
Residential Address: 2310 S. State Street, Chicago IL 60616
Retail Addresses: 2302 S. State Street, Chicago IL 60616;

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2306 S. State Street, Chicago IL 60616;
2318 S. State Street, Chicago IL 60616;
2322 S. State Street, Chicago IL 60616

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RECORDED
COOK COUNTY

RECORDED
COOK COUNTY

RECORDED
COOK COUNTY

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EXHIBIT B REGULATORY AGREEMENTS

1. Project-Based Voucher Rental Assistance Demonstration Housing Assistance Payment Contract between CHA, as Contract Administrator, and Southbridge 4 Master Owner LLC.
2. Rental Assistance Demonstration Use Agreement by and between the United States of America Secretary of Housing and Urban, CHA, Southbridge 4 Master Owner LLC and Southbridge 1-4 Housing LLC.
3. Tax Regulatory Agreement by and among the Illinois Housing Development Authority, Southbridge 4 Master Owner LLC, Southbridge 1-4 Housing LLC, and the Bank Of New York Mellon Trust Company, N.A.
4. Regulatory Agreement (Risk Share Loan) by and among Illinois Housing Development Authority, Southbridge 4 Master Owner LLC and Southbridge 1-4 Housing LLC.
5. Regulatory Agreement (Conduit Loan) by and among Illinois Housing Development Authority, Southbridge 4 Master Owner LLC and Southbridge 1-4 Housing LLC.
6. Low Income Housing Tax Credit Extended Use Agreement by between the Illinois Housing Development Authority and Southbridge 4 Master Owner LLC and Southbridge 1-4 Housing LLC.
7. Regulatory Agreement by and between Southbridge 4 Master Owner LLC and City of Chicago