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TITLE SERVICES, INC.
610 E. ROOSEVELT ROAD
SUITE 201
WHEATON, IL 60187

Doc# 2136415047 Fee \$88.00

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KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 12/30/2021 01:32 PM PG: 1 OF 14

This document was prepared by

~~and when recorded returned to:~~

Charles E. Rodgers, Jr., Esq.
Office of Corporation Counsel
Room 600
121 North LaSalle Street
Chicago, Illinois 60602

AMENDMENT TO REGULATORY AGREEMENT

PULASKI PROJECT

THIS AMENDMENT TO REGULATORY AGREEMENT (Pulaski Project) dated as of the 22nd day of December, 2021 (this "Amendment"), by and between the City of Chicago, Illinois (the "City"), an Illinois municipal corporation, by and through its Department of Housing ("DOH"), with offices at 121 North LaSalle Street, Room 1000, Chicago, Illinois 60602, Lazarus Limited Partnership, an Illinois limited partnership ("Original Borrower"), and Lazarus Renewal II, LLC, an Illinois limited liability company ("Replacement Borrower II") (the City, Original Borrower, and Replacement Borrower II are collectively referred herein as the Parties.)

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RECITALS

A. The City Council of the City on September 21, 1994 authorized the making of a loan to Original Borrower in the principal amount of \$1,430,500, using Home Program funds (the "Original City Loan"); and

B. The Original Borrower utilized the loan proceeds in connection with the Harding Project and the Pulaski Project (as legally described on Exhibit A attached to the City Regulatory Agreement) (the "Original Project"); and

C. As a specific condition precedent to the Original Borrower receiving the Original City Loan and in the allocation of Tax Credits to the Original Project, the Original Borrower agreed to execute a regulatory agreement with the City governing the use of the Original Project; and

D. The City and the Original Borrower executed a Regulatory Agreement on September 21, 1994 and recorded in the Office Cook County Recorder of Deeds, now known as the Office of the County Clerk, ("Recorder's Office") as Document 94827948 (the "City Regulatory Agreement"); and

E. The general partner of the Original Borrower is Lazarus Apartments Corporation, an Illinois corporation ("General Partner"), and the sole owner of the General Partner is Lawndale Christian Development Corporation, an Illinois not-for-profit corporation (the "Sole Member"); and

F. The sole member of the Replacement Borrower II is the Sole Member; and;

G. The City Loan Agreement, the City Mortgage, the City Note, the City Regulatory Agreement, and any other documents executed in connection with the City Loan are referred to herein, collectively, as the "City Loan Documents"; and

H. The City Council, pursuant to an ordinance adopted on May 20, 2020 (the "Restructuring Ordinance"), authorized the Department of Housing ("DOH") to restructure the Original City Loan and amend the City Loan Documents, subject to certain terms as set forth in the Restructuring Ordinance; and

I. In order to enhance the financial sustainability of the development, the Parties desire to separate the Original Project into two separate projects with the property located at 1900-02 S. Harding Avenue, in Chicago, Illinois ("Harding Project") to constitute the "Harding Project" and the property located at 1857-67 S. Pulaski Road in Chicago, Illinois to constitute the "Pulaski Project"; the legal description of the Pulaski Project is described on Exhibit A-1 as hereby attached and made a part hereof; and

J. On February 8, 2021, the Original Borrower transferred the Harding Project to Lazarus Renewal, LLC, an Illinois limited liability company and the City, the Original Borrower and Lazarus Renewal, LLC entered into that certain First Amendment to Loan Documents and Consent and Assumption Agreement-Harding Project which amended the City Loan Documents

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as to the Harding Project, and the Amendment to Regulatory Agreement-Harding Project ("Harding Amendment"); and

K. The Parties now desire to further amend the City Regulatory Agreement to separate the Harding Project from the Pulaski Project and to amend certain terms of the City Regulatory Agreement as to the Pulaski Project as set forth herein; and

L. The Parties do not intend for this Amendment as to the Pulaski Project to affect the Harding Amendment as to the Harding Project; and

M. Furthermore, the Parties desire that the Original Borrower assign its rights, privileges and obligations under the City Regulatory Agreement to Replacement Borrower II as to the Pulaski Project and transfer the ownership of the Pulaski Project to Replacement Borrower II.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENTS

Section 1. Incorporation of Recitals. The foregoing recitals are incorporated into this Amendment by reference and constitute a material part hereof.

Section 2. Amendment. The Parties agree that the City Regulatory Agreement is hereby modified as follows with respect to the Pulaski Project:

2.1. The legal description described on Exhibit A is hereby deleted and replaced with Exhibit A-1 Pulaski Project legal description attached hereto.

2.2. The definition of "Low-Income Project" on Exhibit B, Section I. Additional Definitions and Provisions shall be deleted in its entirety and replaced with the following:

""Low-Income Project" shall mean the 33 units in the Pulaski Project originally financed with HOME funds required to be occupied by Low-Income families."

2.3. The following definition of "Low Income Units" is added to Exhibit B, Section I. Additional Definitions and Provisions:

""Low-Income Units" shall mean those affordable rental units in the Project that shall be made available to families at 60% of Area Median Income (AMI) or below."

2.4. The definition of "Project" on Exhibit B, Section I. Additional Definitions and Provisions shall be deleted in its entirety and replaced with the following:

""Project" mean the building located at 1857-67 S. Pulaski and which shall contain 33 multi-family residential dwelling units."

2.5. The definitions of "Senior Lender", "Senior Loan" and "Senior Mortgage" on Exhibit B Section I. Additional Definitions and Provisions shall be deleted in their entirety.

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2.6. The Notice section on Exhibit B, Section I. Additional Definitions and Provisions is hereby deleted and replaced with the following:

IF TO CITY/:

HOLDER/MORTGAGEE: Department of Housing
121. N. LaSalle Street, Room 1000
Chicago, Illinois 60602
Attention: Commissioner

WITH COPIES TO:

Office of the Corporation Counsel
City of Chicago Department of Law
121 N. LaSalle, Room 600
Chicago, Illinois 60602

Department of Finance
City of Chicago
121 N. LaSalle Room, Room 700
Chicago, Illinois 60602
Attention Comptroller

IF TO MAKER/
BORROWER:

Lazarus Renewal II, LLC
c/o Lawndale Christian Development Corporation
3843 W. Ogden Avenue
Chicago, Illinois 60623
Attn. Richard Townsell

WITH COPIES TO:

Applegate & Thorne-Thomson, P.C.
425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attn: Nick Brunick"

2.7. Exhibit B, II is hereby deleted and replaced in its entirety with the following:

II. ADDITIONAL REPRESENTATIONS AND COVENANTS OF BORROWER.

1. All thirty-three (33) of the units in the Pulaski Project shall be Low-Income Units.
2. 100 % of the units in the Low-Income Project shall be occupied by Low-Income Families whose income is at 60% of AMI or below.
3. The census tract location of the Pulaski Project is 2924.
4. (a) The Pulaski Project shall consist of the following unit configuration:

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Number of Bedrooms	Number of Units
1 bedroom	3
2 bedroom	15
3 bedroom	15

(b) “The Application Fraction for the Pulaski Project shall be, for each taxable year in the Extended Use Period, not less than 100%.”

2.9. Exhibits C and D are hereby deleted in their entirety.

2.10. Original Borrower agrees to assign all of the rights, covenants, duties, and obligations under the City Regulatory Agreement as to the Pulaski Project to Replacement Borrower II.

2.11 Replacement Borrower II agrees to assume all of the rights, covenants, duties, and obligations of Original Borrower under the City Regulatory Agreement as to the Pulaski Project.

2.12. The City consents to the separation of the Harding Project from the Pulaski Project and to the transfer of ownership of the Pulaski Project to Replacement Borrower II. The City confirms such transfer is not in violation of Section 5 of the City Regulatory Agreement. The City releases and discharges the Original Borrower from its obligations under the City Regulatory Agreement incurred from and after the date of this Amendment as to the Pulaski Project. However, nothing in this Amendment shall act as a release or waiver of any claim that may arise in connection with the Original Borrower’s failure to have faithfully discharged all of its duties and obligations under the City Regulatory Agreement as to the Pulaski Project prior to the date of this Amendment.

Section 3. Except as specifically modified by this Amendment, Replacement Borrower II hereby represents, warrants and confirms to the City that:

3.1. All the obligations of Replacement Borrower II hereunder remain in full force and effect, are hereby ratified and confirmed, and as of the date hereof may be enforced against Replacement Borrower II in accordance with their terms by the City against the Replacement Borrower II and the Property;

3.2. All representations, warranties, certifications, statements, affidavits and other items heretofore made or furnished to the City by or on behalf of Replacement Borrower II, in connection with this Amendment were true, accurate and complete as of the date made or furnished to the City, and continue to be true, accurate and complete as if furnished or made by or with respect to the Replacement Borrower II as of the date hereof;

3.3. Replacement Borrower II acknowledges and warrants to the City that it claims no defense, right of offset or counterclaim against enforcement of the City Regulatory Agreement (as modified by this Amendment) and has no other claim against the City arising under such City Regulatory Agreement; and

3.4. The execution, delivery and performance of this Amendment and the consummation of the transactions hereby contemplated will not conflict with any law, statute or regulation to which the

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Original Borrower, Replacement Borrower II or the Property is subject.

Section 4. The Parties hereto acknowledge and agree that this Amendment does not constitute a novation of the existing indebtedness under the City Loan, but is intended to be an amendment and modification of the Regulatory Agreement. Except as amended hereby, the provisions of the City Regulatory Agreement remain in full force and effect and are hereby ratified and confirmed.

Section 5. The Original Borrower and Replacement Borrower II: (i) are represented by legal counsel of their respective choice in the transactions contemplated by this Amendment; (ii) are fully aware and clearly understand all the terms contained in this Amendment; (iii) have voluntarily, with full knowledge and without coercion or duress of any kind, entered into this Amendment; (iv) are not relying on any representation, either written or oral, express or implied, made by the City other than as set forth in this Amendment; (v) on its own initiative have made proposals to the City, the terms of which are reflected by this Amendment; and (vi) have received actual and adequate consideration to enter into this Amendment.

Section 6. In the event of a conflict or inconsistency between the provisions of the City Regulatory Agreement as it pertains to the Pulaski Project and the provisions of this Amendment, the provisions of this Amendment shall govern and control.

Section 7. This Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns; provided, however, that the Replacement Borrower II may not assign this Amendment or its rights and obligations under the City Regulatory Agreement without the prior written consent of the City.

Section 8. This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute a single agreement.

Section 9. This Amendment shall be governed by and construed in accordance with the internal laws of the State of Illinois without regard to its conflict of laws principles.

Section 10. If any provision of this Amendment is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this Amendment will not be affected thereby. It is the intention of the Parties that if any provision is so held to be illegal, invalid or unenforceable, there will be added in lieu thereof a provision as similar in terms to such provision as is possible that is legal, valid and enforceable.

Section 11. Neither this Amendment nor any of the provisions hereof can be changed, waived, discharged or terminated, except by an instrument in writing signed by the City and Replacement Borrower II.

Section 12. No waiver of any action or default will be implied from the failure or delay by the City to take any action in respect of such action or default. No express waiver of any condition precedent or default will affect any other default or extend any period of time for performance other than as specified in such express waiver. One or more waivers of any default

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in the performance of any provision of this Amendment or of the City Regulatory Agreement will not be deemed a waiver of any subsequent default in the performance of the same provision or any other provision. The consent to or approval of any act or request by any party will not be deemed to waive or render unnecessary the consent to or approval of any subsequent similar act or request.

Section 13. Replacement Borrower II expressly agrees that no member, official, employee or agent of the City shall be individually or personally liable to Replacement Borrower II, or any of their successors or assigns, in the event of any default or breach by the City under this Amendment.

Section 14. This Amendment shall be recorded against the Pulaski Project in the Recorder's Office at the expense of Replacement Borrower II.

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IN WITNESS WHEREOF, the City has executed this Amendment as of the date first written above.

CITY:

CITY OF CHICAGO, an Illinois municipal corporation, acting through its Department of Housing

By: Marisa Novara

Name: Marisa Novara

Its: Commissioner

[Signature(s) continued next page]

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IN WITNESS WHEREOF, the Original Borrower has executed this Amendment as of the date first written above.

ORIGINAL BORROWER:

LAZARUS LIMITED PARTNERSHIP
an Illinois limited partnership

By: Lazarus Apartments Corporation
an Illinois corporation,
its General Partner

By: 
Richard Townsell

Its: President

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IN WITNESS WHEREOF, the Replacement Borrower II has executed this Amendment as of the date first written above.

REPLACEMENT BORROWER II:

LAZARUS RENEWAL II, LLC
an Illinois limited liability company

By: Lawndale Christian Development Corporation, an Illinois not-for-profit corporation its sole member

By: 
Richard Townsell


Its: Executive Director

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) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT Richard Townsell, 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 in his/her capacity as President of Lazarus Apartments Corporation (the "General Partner"), an Illinois corporation and general partner of Lazarus Limited Partnership, an Illinois limited partnership (the "Original Borrower"), he signed and delivered the said instrument pursuant to authority, as his free and voluntary act, and as the free and voluntary act and deed of the General Partner and the Original Borrower, for the uses and purposes therein set forth. GIVEN under my hand and notarial seal this 17 day of December, 2021.

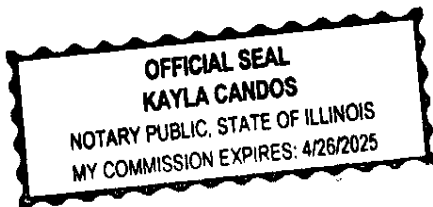


Notary Public

My Commission Expires

4/26/2025

(SEAL)



[Notarial jurat(s) continued on following page(s)]

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EXHIBIT A-1

PULASKI PROJECT

LEGAL DESCRIPTION OF PULASKI PROJECT

LOTS 28, 29, 30, 31 AND 32 IN BLOCK 4 IN MOORE'S SUBDIVISION OF LOT 1 IN THE SUPERIOR COURT PARTITION OF THE WEST 60 ACRES LYING NORTH OF THE SOUTH WESTERN PLANK ROAD OF THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. ✓

COMMON ADDRESS: 1859 S. Pulaski Road, in Chicago, Illinois 60623

TAX ID NO.: 16-23-308-019-0000 ✓

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