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THIS INSTRUMENT WAS PREPARED BY
AND AFTER RECORDING RETURN TO:
Illinois Housing Development Authority
111 East Wacker Dr., Suite 1000
Chicago, Illinois 60601
Attn: Thomas M Jenkins

Doc# 2227234178 Fee \$77.00

RHSP FEE:\$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY CLERK

DATE: 09/29/2022 02:07 PM PG: 1 OF 14

Property Identification No(s): 11828

ILLINOIS AFFORDABLE HOUSING TAX CREDIT REGULATORY AGREEMENT

Project Summary

Project Owner: Oakwood Shores 3-1 Owner LLC
Project Owner's Address: 135 S LaSalle Street, Suite 3550, Chicago, IL 60603
"Sponsor": The Community Builders, Inc.
Project Name: Oakwood Shores 3-1
Project Address: 552-564 East 38th Street and 616-630 E Pershing Road,
Chicago, Illinois 60653
County/MSA: Chicago Metropolitan
SHTC No.: 11328
Project Unit Count: 34/51 (number of Low Income Household units/total number of units in project)

THIS ILLINOIS AFFORDABLE HOUSING TAX CREDIT REGULATORY AGREEMENT (this "Agreement") is made as of the 29th day of September, 2022, by and between ILLINOIS HOUSING DEVELOPMENT AUTHORITY (the "Authority"), a body politic and corporate established pursuant to the Illinois Housing Development Act, ILCS 3805/1 *et seq.*, as amended from time to time (the "Act") with its principal offices located at 111 East Wacker Drive, Suite 1000, Chicago, Illinois 60601, and OAKWOOD SHORES 3-1 OWNER LLC, (the "Owner"), an Illinois limited liability company with its principal offices located at 135 South LaSalle St., Ste. 3550, Chicago, Illinois 60603, and THE COMMUNITY BUILDERS, INC. (the "Sponsor"), a Massachusetts nonprofit corporation with its principal offices located at 135 South LaSalle St., Ste. 3550, Chicago, Illinois 60603.

RECITALS:

A. Pursuant to the ground lease between Chicago Housing Authority, an Illinois municipal corporation ("CHA") and TCB Development Services LLC, an Illinois limited liability company ("TCB Development"), and assigned by TCB Development to Owner as amended by CHA (the "Ground Lease"), the Owner is the leasehold interest holder of certain real property upon which a housing Project is erected, or to be erected, with the common address set forth above in the Project Summary, and legally described on **Exhibit A** attached to and made a part of this Agreement (the "Real Estate"). The Real Estate and the improvements to be constructed on it are collectively referred to in this Agreement as the "Project."

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B. The Authority is administrator of the Affordable Housing Tax Credit Program (the “Program”) for the State of Illinois, as authorized under Section 7.28 of the Illinois Housing Development Act (the “Act”), and the rules promulgated thereunder (the “Rules”). As Administrator of the Program, the Authority is responsible for reserving and allocating Affordable Housing Tax Credits in connection with qualified Affordable Housing Projects. All capitalized terms used in this Agreement and not otherwise defined shall have the meanings established in the Rules.

C. The Sponsor (via its wholly controlled affiliated, TCB Development Services LLC), an Illinois not-for-profit corporation, has received a Donation for the Project which is of financial benefit to Owner; the Authority has determined that the Project qualifies as an Affordable Housing Project and has allocated or will allocate Affordable Housing Tax Credits in connection with that Donation.

D. It is a requirement of the allocation of Affordable Housing Tax Credits that Owner and Sponsor enter into this Regulatory Agreement and consent to be regulated and restricted by the Authority as provided herein, and as provided for in the Act and the Rules.

NOW, THEREFORE, in consideration of the foregoing recitals and the allocation of Affordable Housing Tax Credits in connection with the Donation made to the Project, the Owner agrees as follows:

1. **Incorporation.** The foregoing recitals are incorporated in this Agreement by this reference.

2. **Act and Rules.** Owner agrees that for so long as this Agreement is in effect, its acts regarding the Project shall be in conformance with Section 7.28 of the Act and the Rules, as they may be amended and supplemented from time to time.

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

a. At least the number of the units set forth above in the Project Summary shall be occupied by Households (as defined in **Paragraph 8** hereof) whose income, at the time of initial occupancy, does not exceed the income limits for Very Low Income Households (as defined in **Paragraph 8** hereof) and at least the number of the units set forth above in the Project Summary shall be occupied by Households whose income, at the time of initial occupancy, does not exceed the income limits for Low Income Households (as defined in **Paragraph 8** hereof);

b. On forms approved by the Authority, Owner shall obtain from each prospective Low Income Household prior to its admission to the Project, a certification of income (the “Certification”). Owner shall submit such Certifications to the Authority in the manner prescribed by the Authority;

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

d. Owner shall comply with the rent limitations contained in the definition of Affordable Housing Project in Section 355.103 of the Rules; Owner shall annually submit to the Authority for approval a schedule of rents for the units in the Project subject to the income restrictions set forth in this Agreement; Owner shall not change the rent schedule for such units without the Authority's approval.

4. **Transfer or Change of Ownership.** Owner shall not, without the prior written approval of the Authority (which may be given or withheld in the Authority's reasonable discretion) transfer or change the ownership of the Project.

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

a. **Audit.** The Project and the books, contracts, records, documents and other papers relating to it, and the books and records relating to Owner, shall at all times be maintained in reasonable condition for, 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.

b. **Furnishing Information.** At the request of the Authority, Owner shall furnish such operating reports, certifications and other information as may be required by the Authority to monitor the Project's compliance with this Agreement.

6. **Violation of Agreement by Owner.** Upon violation of any of the provisions of this Agreement by Owner, the Authority may give notice of such violation to Owner as provided in **Paragraph 15** 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, effective on the date of notice of such declaration of default to Owner, and upon such default, and so long as such default is continuing, the Authority may do the following:

a. Apply to any court, state or federal, for specific performance of this Agreement, for an injunction against any violation of this Agreement, or for

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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, Owner 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 under the Act; or

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

If the Authority takes legal action to enforce this Agreement and prevails in its position, Owner shall pay the Authority's reasonable attorneys' fees, costs, disbursements, and other expenses in connection with such legal action.

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.

The Authority hereby agrees that the Owner's Investor Member ("Investor") shall have the right, but not the obligation, to cure a default and that any cure made or tendered by the Investor shall be accepted or rejected by the Authority on the same basis as if such cure were made or tendered by the Owner and if such default is cured by the Investor, such cure shall be deemed to be a cure by Owner.

7. **Termination of Liabilities.** In the event of a sale or other transfer of the Project, all of the duties, obligations, undertakings and liabilities of Owner 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 Project (a "New Owner"), as a condition precedent to its admission as a New Owner, 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 Owner shall not be obligated with respect to matters or events that occur or arise before its admission as a New Owner.

8. **Definitions.**

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a. “Low Income Household”. As used in this Agreement, the phrase “Low Income Household” 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. “Household”. As used in this Agreement, the word “Household” means a person, family or unrelated persons leasing a Unit in the Project.

9. Term of Agreement; Covenants Run with Project.

a. The term of this Agreement shall be ten (10) years from the date the building is placed in service. Placed in service shall mean the date on which the building is ready and available for its specifically assigned function, i.e., the date on which the first unit in the building is certified as being suitable for occupancy in accordance with state or local law.

b. The covenants and agreements set forth in this Agreement shall encumber the Project and be binding on any New Owner and any other future owners of the Project and the holder of any legal, equitable or beneficial interest in it for the term of this Agreement.

c. Notwithstanding any of the provisions of this **Paragraph 9** and **Paragraphs 7** and **13** hereof, if the Project is foreclosed or title to the Project is transferred pursuant to a deed in lieu of foreclosure, this Agreement and all covenants and agreements contained in it shall automatically terminate upon either entry of a final, non-appealable order confirming the foreclosure sale and delivery of a deed to a purchaser at such a sale, or delivery of the deed in lieu of foreclosure to a new owner, as the case may be. Any such foreclosure or transfer that occurs prior to the maturity of any loan shall not terminate the covenants and restrictions contained in this Agreement if such foreclosure or transfer is pursuant to an arrangement between Owner and any other party, a purpose of which is to terminate such covenants and restrictions.

10. Amendment of Agreement. This Agreement shall not be altered or amended without the prior written approval of the Authority.

11. Execution of Conflicting Documents. Owner 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.

12. 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

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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.

13. Successors. Subject to the provisions of **Paragraph 7** hereof, this Agreement shall bind Owner, its legal representatives, successors in office or interest and assigns; however, Owner may not assign this Agreement, or any of its obligations under this Agreement, without the prior written approval of the Authority.

14. 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.

15. Notices. Any notice, demand, request or other communication that any party may desire or may be required to give to any other party under this Agreement 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 Owner:

Oakwood Shores 3-1 Owner LLC
c/o The Community Builders, Inc.
185 Dartmouth Street
Boston, MA 02116

With a copy to:

Applegate & Thorne-Thomsen, P.C.
425 S Financial St, Suite 1900
Chicago, IL 60607
Attn: Paul Davis, Esq.

With a copy to:

DLA Piper
444 West Lake Street Suite 900
Chicago, Illinois 60606
Attn: Robert H. Goldman

With a copy to:

Red Stone Equity – Fund 65 Limited Partnership
c/o Red Stone Equity Partners, LLC
1100 Superior Avenue, Suite 1640

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Cleveland, OH 44114
Attention: General Counsel

With a copy to:

Nixon Peabody LLP
Exchange Place
53 State Street
Boston, Massachusetts 02109
Attention: Roger W. Holmes

If to Authority:

Illinois Housing Development Authority
111 East Wacker Drive, Suite 1000
Chicago, Illinois 60601
Attention: Legal Department

Such addresses may be changed by notice to the other party given in the same manner as provided in this **Paragraph 15**. Any notice, demand, request or other communication sent pursuant to subsection (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subsection (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 subsection (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

16. 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. A signed copy of this Agreement transmitted by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement.

17. Faircloth-to-RAD Conversion. The parties acknowledge that the Project is in HUD's Faircloth-to-RAD Program and has received the RAD Conversion Conditional Approval ("RCCA") to convert the public housing units within the Project to RAD assisted units subject to certain conditions. In connection with the Faircloth-to-RAD Conversion process, the Authority will be required to subordinate this Agreement to the RAD documents. Accordingly, the parties agree to work in good faith to amend the financing documents, (including without limitation, the ground lease, grant and loan documents, regulatory agreements, and the Owner's organizational documents) as necessary to reflect conversion to RAD assisted units and to enter into such other subordination and other agreements as are customarily required by HUD and CHA. For the avoidance of doubt, the public housing units within the Project are and will continue to be assisted under the Mixed Finance Amendment and will not convert to RAD

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assistance unless the conditions under the RCCA are completed and approved by HUD and CHA.

[SIGNATURES ARE ON THE FOLLOWING PAGE]

COOK COUNTY CLERK OFFICE
REC'D - 2013-01-10
118 N. LAUREL ST. RM 120
CHICAGO, IL 60602-5357

Property of Cook County Clerk's Office

COOK COUNTY CLERK OFFICE
REC'D - 2013-01-10
118 N. LAUREL ST. RM 120
CHICAGO, IL 60602-5357

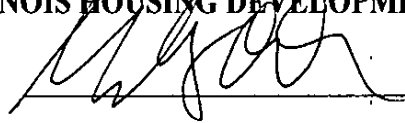
COOK COUNTY CLERK OFFICE
REC'D - 2013-01-10
118 N. LAUREL ST. RM 120
CHICAGO, IL 60602-5357

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

AUTHORITY:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: 

Printed Name: Maureen G Ohle

Its: General Counsel

OWNER:

OAKWOOD SHORES 3-1 OWNER LLC
an Illinois limited liability company

By: Oakwood Shores 3-1 MM LLC
An Illinois limited liability company, its manager

By: _____
Printed Name: William Woodley
Its Authorized Agent

SPONSOR:

THE COMMUNITY BUILDERS, INC.
A Massachusetts nonprofit corporation

By: _____
William Woodley, Authorized Agent

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized representatives.

AUTHORITY:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

By: _____

Printed Name: Maureen G Ohle

Its: General Counsel

OWNER:

OAKWOOD SHORES 3-1 OWNER LLC

an Illinois limited liability company

By: Oakwood Shores 3-1 MM LLC
An Illinois limited liability company, its manager

By: William Woodley
Printed Name: William Woodley
Its Authorized Agent

SPONSOR:

THE COMMUNITY BUILDERS, INC.

A Massachusetts nonprofit corporation

By: William Woodley
William Woodley, Authorized Agent

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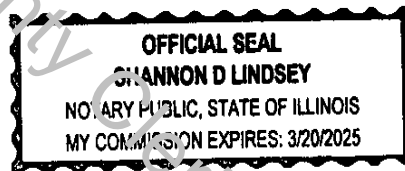
STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that Maureen G Ohle, personally known to me to be the General Counsel of **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 she signed and delivered the said instrument in her capacity as the General Counsel of **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** as her free and voluntary act and deed and as the free and voluntary act and deed of **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, for the uses and purposes therein set forth.

Given under my hand and official seal this 26 day of August, 2022.

Shannon D Lindsey

 Notary Public

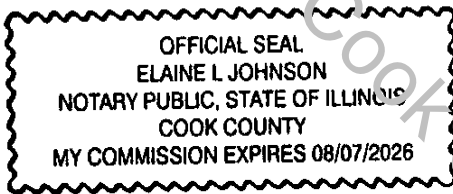


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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that William Woodley, personally known to me to be the Authorized Agent of Oakwood Shores 3-1 MM 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 acknowledged that he signed and delivered the said instrument in his capacity Authorized Agent of Oakwood Shores 3-1 MM LLC, as his free and voluntary act and deed and as the free and voluntary act and deed of Oakwood Shores 3-1 MM LLC, for the uses and purposes therein set forth.

Given under my hand and official seal this 22nd day of August, 2022



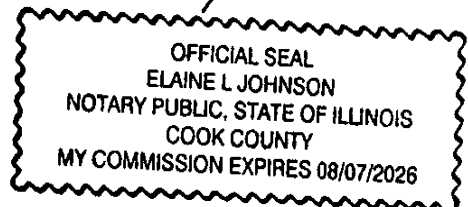
Elaine L. Johnson
Notary Public

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that William Woodley, personally known to me to be the Authorized Agent of The Community Builders, Inc., 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 the said instrument in his/her capacity as Authorized Agent of The Community builders, Inc., as his/her free and voluntary act and deed and as the free and voluntary act and deed of The Community Builders, Inc., for the uses and purposes therein set forth.

Given under my hand and official seal this 22nd day of August, 2022.

Elaine L. Johnson



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EXHIBIT A LEASEHOLD LEGAL DESCRIPTION OAKWOOD SHORES 3-1

***PARCEL 1:

PARCEL 1A:

THE LEASEHOLD ESTATE EVIDENCED BY THAT CERTAIN GROUND LEASE DATED SEPTEMBER 29, 2022 WITH A 65 YEAR TERM BEGINNING SEPTEMBER 29, 2022 AND TERMINATING SEPTEMBER 28, 2087 ENTERED INTO BY THE CHICAGO HOUSING AUTHORITY AS LESSOR AND TCB DEVELOPMENT SERVICES LLC AS LESSEE, AND ASSIGNED AND ASSUMED AND AMENDED BY ASSIGNMENT, ASSUMPTION AND AMENDMENT OF GROUND LEASE, BETWEEN TCB DEVELOPMENT SERVICES LLC AND OAKWOOD SHORES 3-1 OWNER LLC AND JOINED IN BY THE CHICAGO HOUSING AUTHORITY WITH RESPECT TO THE DEMISED LAND, DESCRIBED AS FOLLOWS:

LOTS 72, 73, 74, 75, 76, 77, 78 AND 79 IN OAKWOOD SHORES PHASE 2, BEING A RESUBDIVISION OF VARIOUS LOTS AND PARTS OF LOTS IN VARIOUS SUBDIVISIONS AND RESUBDIVISIONS TOGETHER WITH VACATED ROADS AND VACATED ALLEYS IN PART OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 11, 2007 AS DOCUMENT NUMBER 0734522111, IN COOK COUNTY, ILLINOIS.

PARCEL 1B:

OWNERSHIP, SUBJECT TO ARTICLES 5, 10 AND 14 OF THE AFORESAID GROUND LEASE AGREEMENT, OF THE IMPROVEMENTS NOW LOCATED ON, OR HEREAFTER ERECTED ON, PARCEL 1A.

PARCEL 2:

PARCEL 2A:

THE LEASEHOLD ESTATE EVIDENCED BY THAT CERTAIN GROUND LEASE DATED SEPTEMBER 29, 2022 WITH A 65 YEAR TERM BEGINNING SEPTEMBER 29, 2022 AND TERMINATING SEPTEMBER 28, 2087 ENTERED INTO BY THE CHICAGO HOUSING AUTHORITY AS LESSOR AND TCB DEVELOPMENT SERVICES LLC AS LESSEE, AND ASSIGNED AND ASSUMED AND AMENDED BY ASSIGNMENT, ASSUMPTION AND AMENDMENT OF GROUND LEASE, BETWEEN TCB DEVELOPMENT SERVICES LLC AND OAKWOOD SHORES 3-1 OWNER LLC AND JOINED IN BY THE CHICAGO HOUSING AUTHORITY WITH RESPECT TO THE DEMISED LAND, DESCRIBED AS FOLLOWS:

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LOTS 35, 36, 37, 38, 39, 40 AND 41 IN OAKWOOD SHORES PHASE 2, BEING A RESUBDIVISION OF VARIOUS LOTS AND PARTS OF LOTS IN VARIOUS SUBDIVISIONS AND RESUBDIVISIONS TOGETHER WITH VACATED ROADS AND VACATED ALLEYS IN PART OF THE SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 11, 2007 AS DOCUMENT NUMBER 0734522111, IN COOK COUNTY, ILLINOIS.

PARCEL 2B:

OWNERSHIP, SUBJECT TO ARTICLES 5, 10 AND 14 OF THE AFORESAID GROUND LEASE AGREEMENT, OF THE IMPROVEMENTS NOW LOCATED ON, OR HEREAFTER ERECTED ON, PARCEL 2A.***

PERMANENT REAL ESTATE INDEX NUMBERS: 17-34-422-012-0000 THROUGH 17-34-422-019-0000; AND 17-34-427-024-0000 THROUGH 17-34-427-030-0000

COMMON ADDRESS: 616-630 EAST PERSHING ROAD AND 552-564 EAST 38TH STREET, CHICAGO, ILLINOIS 60653