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**PREPARED BY AND  
WHEN RECORDED RETURN TO:**

Charles E. Rodgers, Jr., Esq.  
Assistant Corporation Counsel  
City of Chicago  
Department of Law  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602

**SECOND AMENDMENT TO LOAN DOCUMENTS  
AND ASSIGNMENT AND ASSUMPTION AGREEMENT**

This Second Amendment to Loan Documents and Assignment and Assumption Agreement (this "Second Amendment") is made and entered into as of the 22 day of July, 2024 (the "Effective Date") by and among the City of Chicago, a municipal corporation, by and through its Department of Housing (the "City"), Brainerd Senior, LLC, an Illinois limited liability company ("Current Borrower"), and Brainerd Senior Preservation LP, an Illinois limited partnership ("Replacement Borrower") (the City, Current Borrower, and Replacement Borrower are collectively referred herein as the "Parties".)

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## RECITALS

A. The City Council of the City on November 3, 1999 authorized the making of a loan to 89<sup>th</sup> & Loomis Limited Partnership, an Illinois limited partnership (“Original Borrower”) in the principal amount of \$1,837,846, with an interest rate of zero percent per annum and a term not to exceed 32 years (the “Original City Loan”).

B. As of the Closing Date, the current balance on the Original City Loan is \$1,815,467.

C. The City made the Original City Loan to the Original Borrower on or about January 28, 2000. The Original City Loan is evidenced by that certain Housing Loan Agreement (the “City Loan Agreement”) dated as of January 28, 2000, secured by, among other things, that certain Junior Mortgage and Security Agreement dated as of January 28, 2000, executed by the Original Borrower in favor of the City (the “City Mortgage”) and recorded in the Office of the Cook County Recorder of Deeds, now known as the Office of the Clerk of Cook County (“Recorder’s Office”) as Document 00083779, and is further evidenced by that certain Note dated as of January 1, 2000 made by the Original Borrower in favor of the City in the original principal amount of the Loan (the “City Note”), along with the Regulatory Agreement executed by Original Borrower on January 28, 2000 and recorded in the Recorder’s Office as Document 00083776 (the “City Regulatory Agreement”) and that certain Assignment of Rents and Leases executed by Original Borrower on January 28, 2000 and recorded in the Recorder’s Office as Document 00083780 (the “City Assignment”), and that certain Environmental Indemnity executed by Original Borrower on January 20, 2000 (“City Environmental Indemnity”), and that certain Guaranty executed by Original Borrower on January 28, 2000 (“City Guaranty”).

D. The proceeds of the Original City Loan were used to provide for the construction by the Original Borrower of an affordable residential building for seniors located generally at 8901-25 South Loomis Street, in Chicago, Illinois 60620 (the “Property”) and consisted of 60 rental units (“Original Project”) and

E. The City Loan Agreement, the City Mortgage, the City Note, the City Regulatory Agreement, as amended, the City Assignment and any other documents executed in connection with the Original City Loan are referred to herein, collectively, as the “City Loan Documents”; and

F. The City Council, pursuant to an ordinance adopted on March 24, 2021 (the “Restructuring Ordinance”), authorized the Department of Housing (“DOH”) to restructure the Original City Loan, subject to certain terms as set forth in the Restructuring Ordinance; and

G. The City, Original Borrower, Current Borrower entered into the First Amendment to Loan Documents and Assignment and Assumption Agreement on March 31, 2021 (the “First Amendment”) which comprised the first restructuring of the City Loan Documents and included

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City approval of the subordination of the Original City Loan to the loan by NEF Preservation Mortgage Loan Fund I LP (the "Current Senior Lender") in the original principal of \$1,950,000 (the "Current Senior Loan") which Senior Loan was secured by that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing dated as of March 31, 2021 granted by Current Borrower to the Current Senior Lender (the "Current Senior Mortgage"), and other loan documents in connection with the Current Senior Loan (the "Current Senior Loan Documents"), which subordination was evidenced by that certain Subordination Agreement among the City and Current Senior Lender of even dated as of March 31, 2021 and recorded in the Recorder's Office (the "Subordination Agreement").

H. The general partner of Replacement Borrower is Brainerd Senior Preservation GP, LLC, an Illinois limited liability company.

I. As of the Closing Date, in order to conduct the rehabilitation of the senior residential units located at the Property, the Replacement Borrower procured (i) a loan (the "Borrower Loan") from the Illinois Housing Development Authority, a body politic and corporate of the State of Illinois established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et. seq. as amended from time to time ("IHDA"), in an amount not to exceed \$11,784,186, which will be funded with the proceeds of a tax exempt conduit loan (the "Funding Loan," and together with the Borrower Loan, the "New Senior Loan(s)" in an aggregate amount not to exceed \$11,784,186 from BMO Bank N.A., a national banking association ("BMO"). BMO shall make disbursements of the Funding Loan to the Borrower, as agent for IHDA, as a corresponding disbursement of the Borrower Loan. The Borrower Loan will be secured by a mortgage (the "New Senior Mortgage") made by Replacement Borrower in favor of IHDA, which, together with the promissory notes evidencing the Borrower Loan, will be assigned by IHDA to BMO as security for the Funding Loan. The New Senior Loans, New Senior Mortgage and any other documents evidencing and securing the New Senior Loans are hereinafter collectively referred to as the "New Senior Loan Documents."

J. As of the Closing Date, the Replacement Borrower procured a loan from the IHDA in an amount not to exceed \$2,610,000 (the "IHDA Loan") for the rehabilitation of the senior residential units located at the Property. Replacement Borrower has agreed to mortgage the Property in favor of the IHDA to secure the IHDA Loan (the "IHDA Mortgage" or the "New Second Mortgage"). The IHDA Loan, IHDA Mortgage and any other documents evidencing and securing the IHDA Loan are hereinafter collectively referred to as the "IHDA Loan Documents."

K. Current Borrower and Replacement Borrower have requested that the City approve a proposed second restructuring of the Original City Loan that (1) will subordinate the liens of the City Mortgage and the City Assignment the lien of the New Senior Mortgage and the IHDA Mortgage, the IHDA Regulatory Agreement to be entered into by and between the Replacement Borrower and IHDA in connection the New Senior Loans (the "IHDA Regulatory Agreement"), the Low Income Housing Tax Credit Extended Use Agreement to be entered into by and between the Replacement Borrower and IHDA in connection with the award to low income tax credits to the Project (the "EUA"), the IHDA Regulatory and Land Use Restriction Agreement to be entered into by and between the Replacement Borrower and IHDA in connection with the IHDA Loan (the "Trust Fund Regulatory Agreement") and the Green and

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Resilient Retrofit Program Use Agreement to be entered into by and between the Replacement Borrower and the United States Department of Housing and Urban Development in connection with the GRRP Loan (as defined below) (the “GRRP Use Agreement”) (2) will alter the repayment terms of the Original City Loan, (3) may alter the interest rate on the principal balance of the Original City Loan (4) will extend the maturity date of the Original City Loan, (5) consent to the sale and transfer of the Property from the Current Borrower to Replacement Borrower, (6) consent to the assignment and assumption of the City Loan documents from the Current Borrower to the Replacement Borrower among other things, (collectively, the “Second Restructuring”).

L. The City Council, pursuant to an ordinance adopted on February 21, 2024 (the “Second Restructuring Ordinance”), authorized the Department of Housing (“DOH”) to restructure the Original City Loan, subject to certain terms as set forth in the Second Restructuring Ordinance; and

M. The Replacement Borrower has requested that the City approve the subordination of the Original City Loan, the City Loan Agreement, the City Mortgage, the City Note, the City Regulatory Agreement and the City Assignment, as modified by the First Amendment and this Second Amendment (collectively, the City Loan Documents”), to the New Senior Loan, the New Senior Mortgage, and other New Senior Loan Documents,

N. The Replacement Borrower has also requested that the City approve the subordination of the City Loan Documents to the IHDA Loan, IHDA Mortgage, and other IHDA Loan Documents, including, but not limited to the IHDA Regulatory Agreement, the EUA and the Trust Fund Regulatory Agreement, which subordination will be evidenced by that certain Subordination Agreement among the City and IHDA of even date and recorded concurrently herewith (the “IHDA Subordination Agreement”).

**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 Second Amendment by reference and constitute a material part hereof.

Section 2. Amendment. The City, Current Borrower, and Replacement Borrower agree that the City Loan Documents are hereby modified as follows:

2.1 This Second Amendment to Loan Documents shall be included in the definition of the term “Loan Documents” as set forth in the City Loan Agreement.

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2.2 The Current Borrower agrees to assign all of the rights, covenants, duties, and obligations under the City Loan Documents to the Replacement Borrower.

2.3 Replacement Borrower agrees to assume all of the rights, covenants, duties, and obligations of the City Loan Documents from the Current Borrower.

2.4 Any and all references in the City Loan documents of the General Partner shall mean Brainerd Senior Preservation GP, LLC.

2.5 The address of the Borrower on Exhibit A of the City Loan Agreement shall be amended by deleting such address in its entirety and replacing it as follows:

“Address of Borrower: Brainerd Senior Preservation LP  
c/o Full Circle Communities, Inc.  
310 S. Peoria, Suite 500  
Chicago, Illinois 60607  
Attention: Joshua Wilmoth  
Email: jwilmoth@fccommunities.org

With a copy to:

Applegate & Thorne-Thomsen, P.C.  
475 S. Financial Place, Suite 1900  
Chicago, Illinois 60606  
Attn: Nick Brunick  
Email: nbrunick@att-law.com”

2.6 The definition of General Partner on Exhibit A of the City Loan Agreement shall be amended by deleting “Full Circle Communities, Inc.” and replacing it as follows:

“General Partner: Brainerd Senior Preservation GP, LLC. The Replacement Borrower is an Illinois limited partnership and Brainerd Senior Preservation GP, LLC is its general partner. To the extent the context requires, the term General Partner shall mean the general partner of the Replacement Borrower.”

2.7 The definitions of Senior Assignment, Senior Lender, Senior Loan, Senior Mortgage and Senior Note on Exhibit A of the City Loan Agreement shall be amended by deleting such definitions and replacing them as follows:

Senior Assignment: that certain Assignment of Rents and Leases dated July 22, 2024 from IHDA to BMO.

Senior Lender: BMO Bank N.A., a national banking association ("BMO"), and the Illinois Housing Development Authority, a body

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corporate and politic organized and existing under the laws of the State of Illinois ("IHDA"), as their interests may appear

Senior Mortgage(s): That certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Brainerd Senior Preservation LP in favor of the IHDA dated as July 22, 2024 and recorded contemporaneously herewith in the Office of the Clerk of Cook County, Illinois, securing notes of even date therewith in the aggregate principal amount of \$11,784,186 in favor of IHDA, and assigned, endorsed and delivered by IHDA to BMO; and

That certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Brainerd Senior Preservation LP in favor of IHDA dated as July 22, 2024 and recorded hereto in the Office of the Clerk of Cook County, securing a note of even date therewith in the principal amount of \$2,610,000 in favor of IHDA.

Senior Note(s): (i) that certain Promissory Note-Series 2024A Borrower Loan (Brainerd Senior Preservation) in the original maximum principal amount not to exceed \$2,100,000, made by Borrower and payable to the order of IHDA, and (ii) that certain Promissory Note-Series 2024B Borrower Loan (Brainerd Senior Preservation) in the original maximum principal amount not to exceed \$9,684,186, made by Borrower and payable to the order of IHDA, each dated as of July 22, 2024, and assigned, endorsed and delivered by IHDA to BMO

that certain Promissory Note from the Borrower in favor of the IHDA dated July 22, 2024 in the principal amount of \$2,610,000

2.8 The definitions of Junior Assignment, Junior Lender, Junior Loan, Junior Mortgage and Junior Note on Exhibit A of the City Loan Agreement shall be amended by deleting such definitions and replacing them as follows:

Junior Assignment: (None)

Junior Lender: The United States of America, by and through the Secretary of Housing and Urban Development ("HUD") and Full

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Circle communities, Inc., (“FCC”), as their interests may appear

- Junior Mortgage(s):
- (i) That certain Green and Resilient Retrofit Program Mortgage and Security Agreement from Brainerd Senior Preservation LP in favor of HUD dated as July 22, 2024 securing a note of even date therewith in the aggregate principal amount of \$750,000 in favor of HUD;
  - (ii) That certain Junior Mortgage, Assignment of Rents and Security Agreement from Brainerd Senior Preservation LP in favor of FCC dated as July 22, 2024, securing a note of even date therewith in the principal amount of \$114,406 in favor of FCC; and
  - (iii) That certain Junior Mortgage, Assignment of Rents and Security Agreement from Brainerd Senior Preservation LP in favor of FCC dated July 22, 2024, securing a note of even date therewith in the principal amount of \$900,000 in favor of FCC.
  - (iv) That certain Junior Mortgage, Assignment of Rents and Security Agreement from Brainerd Senior Preservation LP in favor of FCC securing a note of even date therewith in the principal amount of \$1,466,279, to be executed and recorded upon receipt of the EDI funds from the City of Chicago.

- Junior Note(s):
- (i) that certain Green and Resilient Retrofit Program (GRRP) Surplus Cash Note in the original maximum principal amount not to exceed \$750,000, made by Borrower and payable to the order of HUD;
  - (ii) that certain Promissory Note (ComEd) from the Borrower in favor of FCC dated July 22, 2024, in the principal amount of \$114,406; and
  - (iii) that certain Promissory Note (AHP Sponsor Loan) from the Borrower in favor of FCC dated 22, 2024, in the principal amount of \$900,000
  - (iv) that certain Promissory Note (Sponsor Loan) from the Borrower in favor of FCC in the principal amount of

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\$1,466,279 to be executed upon receipt of the EDI funds from the City of Chicago.

Junior Regulatory and Grant Agreements:

- (i) The Retention/Recapture Agreement for Rental Projects in connection with the AHP Loan; and
- (ii) The EDI Community Funding Grant Agreement by and between the City, FCC, Borrower to be executed upon receipt of the EDI funds from the City of Chicago (the "EDI Grant").

2.9 The definition of Environmental Indemnity Parties is hereby amended by deleting it in its entirety and replacing it with the following:

"Environmental Indemnity Parties: City, Replacement Borrower, and General Partner."

2.10 The definition of Guaranty Parties on Exhibit A, Loan Amount in the City Loan Agreement is hereby amended deleting it in its entirety and replacing it with the following:

"Guaranty Parties: General Partner"

2.11 The definition of "Permitted Encumbrances" in the City Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

"Permitted Encumbrances" shall mean (i) the Senior Mortgages, (ii) the Senior Assignment, (iii) the Senior Regulatory Agreements, (iv) the Mortgage, (v) those liens and encumbrances shown on Exhibit C to the Mortgage, (vi) leases of portions of the Premises entered into after the date hereof in Borrower's ordinary course of business, (vii) the Regulatory Agreement, (viii) the Junior Mortgages, (ix) the Junior Regulatory Agreements, and (x) the EDI Grant (it being acknowledged and agreed that the items described in clauses (viii) through (x) above shall be subordinate to the lien of the Mortgage and the rights of the City established thereunder and shall be reflected as such in the lender's title insurance policy issued to the City by the Title Company as provided herein),

2.12 The paragraph after the definition of "Project" on Exhibit A of the City Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following paragraph"

"The entire principal balance outstanding, together with any other sums due under any of the Loan Documents, shall be due and payable in full on the



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earliest (the "Maturity Date") of (i) the date on which all outstanding principal of and accrued and unpaid interest on the New Senior Loan shall be due and payable in full because of acceleration, (ii) the date on which all outstanding principal of and accrued and unpaid interest on the IHDA Loan shall be due and payable in full, (iii) the date on which all outstanding principal of and accrued and unpaid interest of the Junior Loans shall be due and payable or (iv) August 1, 2059, provided, however, that the term "Maturity Date" shall also mean such earlier date as of the principal of and interest, if any, on the Loan may become due and payable because of the acceleration or prepayment as provided in any of the Loan Documents."

2.13 The definition of "Owner" on Exhibit A of the City Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

"Brainerd Senior Preservation LP, an Illinois limited partnership"

2.14 The definition of "Partnership Agreement" on Exhibit A of the City Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

"That certain Amended and Restated Limited Partnership Agreement of Brainerd Senior Preservation LP between the General Partner and NEF Assignment Corporation dated as of July 22, 2024. "

2.15 The Notice section of the City Note is hereby amended by deleting it in its entirety and replacing it with the following:

"IF TO HOLDER" Department of Housing  
City of Chicago  
121 North LaSalle, Room 1000  
Chicago, Illinois 60602  
Attention: Commissioner

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

And

Department of Finance  
City of Chicago  
121 North LaSalle Street, Room 700  
Chicago, Illinois 60602

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Attention: Comptroller

IF TO MAKER

Brainerd Senior Preservation LP  
c/o Full Circle Communities, Inc.  
310 S. Peoria, Suite 500  
Chicago, Illinois 60607  
Attention: Joshua Wilmoth  
Email: jwilmoth@fccommunities.org

WITH COPIES TO:

Applegate & Thorne-Thomsen, P.C.  
425 S. Financial Place, Suite 1900  
Chicago, Illinois 60606  
Attn: Nick Brunick  
Email: nbrunick@att-law.com

WITH COPIES TO:

NEF Assignment Corporation  
10 South Riverside Plaza  
Suite 1700  
Chicago, Illinois 60606

AND COPIES TO:

Kraus Lam LLC  
2045 W. Grand Avenue, Suite B  
Chicago, IL 60612  
Attn: Edward Lam  
Email: elam@krauslam.com

2.16 The second paragraph of the Note is deleted in its entirety and replaced with the following paragraph:

“The entire principal balance outstanding, together with any other sums due under any of the Loan Documents, shall be due and payable in full on the earliest (the “Maturity Date”) of (i) the date on which all outstanding principal of and accrued and unpaid interest on the New Senior Loan shall be due and payable in full because of acceleration, (ii) the date on which all outstanding principal of and accrued and unpaid interest on the IHDA Loan shall be due and payable in full, (iii) the date on which all outstanding principal of and accrued and unpaid interest of the Junior Loans shall be due and payable or (iv) July 21, 2059, provided, however, that the term “Maturity Date” shall also mean such earlier date as of the principal of and interest, if any, on the Loan may become due and payable because of the acceleration or prepayment as provided in any of the Loan Documents.”

2.17 Section 33 of the City Mortgage is hereby amended by deleting it in its entirety and replacing it with the following:

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“(33) Junior Mortgage. This is a junior mortgage on the Premises and is subject and subordinate in each and every respect to any and all rights of any kind created by the following “Senior Mortgages:”

That certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Brainerd Senior Preservation LP in favor of the IHDA dated as July 22, 2024 and recorded contemporaneously herewith in the Office of the Clerk of Cook County, securing notes of even date therewith in the aggregate principal amount of \$11,784,186 in favor of IHDA, as assigned, endorsed and delivered by IHDA to BMO Bank N.A., a national banking association (“BMO,” and, together with IHDA, the “Senior Lenders”).

That certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Brainerd Senior Preservation LP in favor of IHDA dated as July 22, 2024 and recorded hereto in the Office of the Clerk of Cook County, securing a note of even date therewith in the principal amount of \$2,610,000 in favor of IHDA.”

So long as any Senior Mortgage is in effect, in the event of any conflict between the provisions of this Mortgage and any Senior Mortgage, the provisions of the Senior Mortgage shall prevail. Any waiver or forbearance by any Senior Lender under its Senior Mortgage or any documents evidencing of securing the Senior Lender’s loan secured by its Senior Mortgage (collectively, the “Senior Loan Documents”) shall not impair the validity or priority of such Senior Lender’s liens under the Senior Loan Documents. Notwithstanding any other provision herein to the contrary, the failure by Mortgagor to provide to Mortgagee any dollar amounts or any documents as may be required herein because such amounts or documents are required to be deposited with any Senior Lender pursuant to the provisions of any Senior Mortgage shall not be deemed an “Event of Default” hereunder; provided, however, that Mortgagor shall promptly provide to Mortgagee written notice of the deposit of such amounts or documents with Senior Lender (together with copies of such documents). Notwithstanding any other provision herein to the contrary, the failure by Mortgagor to comply with any provision hereof (other than the payment of amounts or the provision of documents to Mortgagee) due to conflict between the provisions of any Senior Mortgage and the provisions hereof shall not be deemed an “Event of Default” hereunder; provided, however, that Mortgagor shall promptly provide to Mortgagee written notice of such conflict and of the actions taken by Mortgagor pursuant to such Senior Mortgage.

2.18 Section 23 of the City Mortgage is hereby amended by deleting its entirety and replacing with the following:

“IF TO MORTGAGEE”

Department of Housing  
City of Chicago

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121 North LaSalle, Room 1000  
Chicago, Illinois 60602  
Attention: Commissioner

WITH COPIES TO:

Office of the Corporation Counsel  
City of Chicago  
121 North LaSalle Street, Room 600  
Chicago, Illinois 60602  
Attn: Finance and Economic Development  
Division

And

Department of Finance  
City of Chicago  
121 North LaSalle Street, Room 700  
Chicago, Illinois 60602  
Attention: Comptroller

IF TO MORTGAGOR

As specified on Exhibit B.”

2.19 The Section 1 of Exhibit B to the City Mortgage is hereby amended by adding the following:

“Address of Mortgagor

Brainerd Senior Preservation LP  
c/o Full Circle Communities, Inc.  
310 S. Peoria, Suite 500  
Chicago, Illinois 60607  
Attention: Joshua Wilmoth  
Email: [jwilmoth@fccommunities.org](mailto:jwilmoth@fccommunities.org)

With a copy to:

Applegate & Thorne-Thomsen, P.C.  
425 S. Financial Place, Suite 1900  
Chicago, Illinois 60606  
Attn: Nick Brunick  
Email: [nbrunick@att-law.com](mailto:nbrunick@att-law.com)”

WITH COPIES TO:

NEF Assignment Corporation  
  
10 South Riverside Plaza  
  
Suite 1700  
  
Chicago, Illinois 60606

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AND COPIES TO:

Kraus Lam LLC  
2045 W. Grand Avenue, Suite B  
Chicago, IL 60612  
Attn: Edward Lam  
Email: elam@krauslam.com

2.20 Exhibit B, Section 5 of the Mortgage is hereby amended by deleting it in its entirety and replacing it with the following section:

“The entire principal balance outstanding, together with any other sums due under any of the Loan Documents, shall be due and payable in full on the earliest (the “Maturity Date”) of (i) the date on which all outstanding principal of and accrued and unpaid interest on the New Senior Loan shall be due and payable in full because of acceleration, (ii) the date on which all outstanding principal of and accrued and unpaid interest on the IHDA Loan shall be due and payable in full, (iii) the date on which all outstanding principal of and accrued and unpaid interest of the Junior Loans shall be due and payable or (iv) July 21, 2059, provided, however, that the term “Maturity Date” shall also mean such earlier date as of the principal of and interest, if any, on the Loan may become due and payable because of the acceleration or prepayment as provided in any of the Loan Documents.”

2.21 Exhibit C of the City Mortgage, Permitted Encumbrances is hereby amended by adding the following documents to the exhibit:

- 1) Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Brainerd Senior Preservation LP in favor of IHDA, and assigned by IHDA to BMO.
- 2) AHP Recapture Mortgage Agreement
- 3) AHP Sponsor Mortgage
- 4) IHDA Land Use Restriction Agreement
- 5) IHDA Regulatory Agreement (Conduit Bonds)
- 6) IHDA Extended Use Agreement
- 7) HUD GRRP Grant Recapture Mortgage
- 8) Junior Mortgage, Assignment of Rents and Security Agreement (Sponsor Loan) by Brainerd Senior Preservation LP to Full Circle Communities

2.22 The definition of Borrower in Section 1 Definitions and Interpretations of the City Regulatory Agreement is deleted in its entirety and replaced with the following definition:

““Borrower” shall mean, Brainerd Senior Preservation LP, an Illinois partnership.”

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2.23 Section 8 of Exhibit B to the City Regulatory Agreement is hereby deleted in its entirety and replaced the following:

“For purposes of Section 12, the Borrower’s address shall be

Brainerd Senior Preservation LP  
c/o Full Circle Communities, Inc.  
310 S. Peoria, Suite 500  
Chicago, Illinois 60607  
Attention: Joshua Wilmoth  
Email: [jwilmoth@fccommunities.org](mailto:jwilmoth@fccommunities.org)

With a copy to:

Applegate & Thorne-Thomsen, P.C.  
425 S. Financial Place, Suite 1900  
Chicago, Illinois 60606  
Attn: Nick Brunick  
Email: [nbrunick@att-law.com](mailto:nbrunick@att-law.com)

Chicago, Illinois 60606

2.24 The definitions of Senior Lender, Senior Loan and Senior Mortgage on Exhibit B of the Regulatory Agreement are hereby deleted in their entirety and replaced with the following applicable definitions:

“Senior Lender” shall mean BMO Bank N.A., a national banking association (“BMO”) located at 310 South Canal Street, 15<sup>th</sup> Floor, Chicago, Illinois 60603, and its successors and assigns, and the Illinois Housing Development Authority, a body corporate and politic organized and existing under the laws of the State of Illinois (“IHDA”), as their interests may appear.

“Senior Loan” shall mean (a) a loan from IHDA, in an amount not to exceed \$11,784,186, made contemporaneously herewith by IHDA to the Borrower, which will be funded with the proceeds of a tax exempt conduit loan in an aggregate amount not to exceed \$11,784,186 from BMO to IHDA; and (b) a loan by IHDA to the Borrower in the principal amount of \$11,784,186.

“Senior Mortgage” shall mean (a) that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Brainerd Senior Preservation LP in favor of the IHDA dated as July 22, 2024 and recorded contemporaneously herewith in the Office of the Clerk of Cook County, securing notes of even date therewith in the aggregate principal amount of \$11,784,186 in favor of IHDA, as assigned, endorsed and delivered by IHDA to BMO; and

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(b) that certain Mortgage, Security Agreement, Assignment of Leases and Rents and Fixture Filing from Brainerd Senior Preservation LP in favor of IHDA dated as July 22, 2024 and recorded hereto in the Office of the Clerk of Cook County, securing a note of even date therewith in the principal amount of \$2,610,000 in favor of IHDA..

Section 3. Consent. The City consents to the transfer of ownership of the Property to Replacement Borrower. The City confirms such transfer is not in violation of Section 5 of the City Regulatory Agreement. The City releases and discharges the Current Borrower from its obligations under the City Regulatory Agreement incurred from and after the date of this Second Amendment. However, nothing in this Second Amendment shall act as a release or waiver of any claim that may arise in connection with the Current Borrower's failure to have faithfully discharged all of its duties and obligations under the City Regulatory Agreement prior to the date of this Second Amendment.

Section 4. Except as specifically modified by this Second Amendment, the Current Borrower and Replacement Borrower hereby represent, warrant and confirm to the City that:

4.1 All the City Loan Documents and the obligations of the Current Borrower thereunder remain in full force and effect, are hereby ratified and confirmed, and may be enforced against the Replacement Borrower in accordance with their terms by the City;

4.2 Except to the extent disclosed otherwise in writing to the City, all representations, warranties, certifications, statements, affidavits and other items heretofore made or furnished to the City by or on behalf of the Replacement Borrower in connection with the City Loan Documents 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 Current Borrower as of the date hereof;

4.3 The Current Borrower acknowledges and warrants to the City that it claims no defense, right of offset or counterclaim against enforcement of the City Loan Documents (as modified by this Second Amendment) and have no other claim against the City;

4.4 Any Event of Default under any of the City Loan Documents will be or has been cured to the satisfaction of the City as of the date hereof;

4.5 The execution, delivery and performance of this Second Amendment and the consummation of the transactions hereby contemplated will not conflict with any law, statute or regulation to which the Replacement Borrower or the Property is subject; and

4.6 All outstanding and unpaid accrued interest and late charges have been waived by the City.

Section 5. The Parties hereto acknowledge and agree that this Second Amendment

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does not constitute a novation of the existing indebtedness under the City Loan, but is intended to be an amendment and modification of the City Loan Documents. Except as amended hereby, the provisions of the City Loan Documents remain in full force and effect and are hereby ratified and confirmed. The Mortgage shall continue to secure repayment of all amounts due under the Note as modified by this Second Amendment. The City Mortgage, the City Regulatory Agreement, the City Loan Documents and any and all renewals, modifications, extensions or advances thereunder or secured thereby (including interest thereon), unconditionally do and will remain at all times a lien, claim or charge on the Property.

Section 6. The Current Borrower and Replacement Borrower: (i) are represented by independent legal counsel of their respective choice in the transactions contemplated by this Second Amendment; (ii) are fully aware and clearly understands all the terms contained in this Second Amendment; (iii) have voluntarily, with full knowledge and without coercion or duress of any kind, entered into this Second 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 Second Amendment; (v) on its own initiative has made proposals to the City, the terms of which are reflected by this Second Amendment; and (vi) have received actual and adequate consideration to enter into this Second Amendment.

Section 7. In the event of a conflict or inconsistency between the provisions of the City Loan Documents, First Amendment and the provisions of this Second Amendment, the provisions of this Second Amendment shall govern and control.

Section 8. This Second 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 may not assign this Second Amendment or its rights and obligations under the City Loan Documents without the prior written consent of the City.

Section 9. This Second 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 10. This Second 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 11. If any provision of this Second Amendment is determined by a court having jurisdiction to be illegal, invalid or unenforceable under any present or future law, the remainder of this Second 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 12. Neither this Second Amendment nor any of the provisions hereof can be changed, waived, discharged or terminated, except by an instrument in writing signed by all parties to this Second Amendment.



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Section 13. 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 in the performance of any provision of this Second Amendment or of the City Loan Documents 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 14. The Replacement Borrower expressly agrees that no member, official, employee or agent of the City shall be individually or personally liable to the Replacement Borrower, or any of their successors or assigns, in connection with this Second Amendment.

Section 15. No Effect on Recording Priority. The Parties agree that entering into this Second Amendment shall have no effect on the recording priority of the City Mortgage and the City Regulatory Agreement, and that this Second Amendment shall relate back to the date that the City Mortgage and City Regulatory Agreement were originally recorded in the Recorder's Office.

Section 16. Hold Harmless. From and after the Effective Date, Replacement Borrower agrees to indemnify, pay, defend and hold the City and its elected and appointed officials, employees, agents and affiliates (each, individually, an "Indemnitee," and, collectively, the "Indemnitees") harmless ("Indemnify") from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever ("Indemnities") (including without limitation, the reasonable fees and disbursements of counsel for such Indemnities in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating to performance under the City Loan Documents by Replacement Borrower.

Section 17. No Change in Defined Terms. All capitalized terms not otherwise defined herein, shall have the same meanings as set forth in the City Loan Documents.

Section 18. Other Terms in the City Loan Documents Remain. All other provisions and terms of the City Loan Documents shall remain unchanged.

Section 19. Authority. Replacement Borrower represents and warrants to the other parties that this Second Amendment is duly authorized by all necessary corporate or limited partnership action and that the person executing this Second Amendment on behalf of such party is duly authorized to execute this Second Amendment on behalf of such party.

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Section 20. Recording and Filing. Replacement Borrower shall cause this Second Amendment and all amendments and supplements hereto to be recorded and filed against the Property as of the date hereof in the Recorder's Office. Replacement Borrower shall pay all fees and charges incurred in connection with any such recording. Upon recording, Replacement Borrower shall immediately transmit to the City an executed original of this Second Amendment showing the date and recording number of record.

Section 21. Counterparts. This Second 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 22. Severability. If any provisions of this Second Amendment shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

**[Signature Page Follows]**



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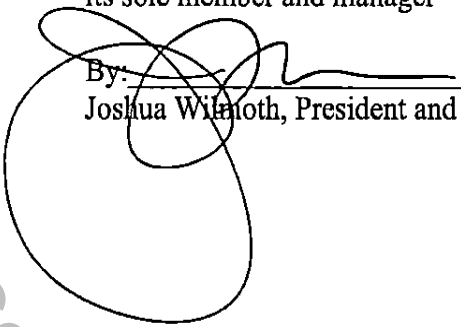
IN WITNESS WHEREOF, the Current Borrower has executed this Second Amendment as of the date first written above.

**CURRENT BORROWER:**

**BRAINERD SENIOR, LLC**

an Illinois limited liability company

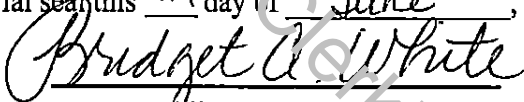
By: Full Circle Communities, Inc.  
an Illinois not-for-profit corporation  
its sole member and manager

By:   
Joshua Wilmoth, President and CEO

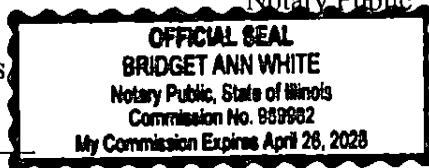
STATE OF ILLINOIS )  
                                  ) SS  
COUNTY OF COOK )

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Joshua Wilmoth, President and CEO of Full Circle Communities, Inc., an Illinois not-for-profit corporation, the sole member and manager of Brainerd Senior, LLC, an Illinois limited liability company, is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said Current Borrower, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24 day of June, 2024.

  
Notary Public

My Commission Expires \_\_\_\_\_



(SEAL)

[Signature(s) continued next page]



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EXHIBIT A

## Legal Description

### \*\*\*PARCEL 1:

THAT PART OF LOTS 1 AND 2 IN BLOCK 12 IN H.H. THOMAS' SUBDIVISION OF BLOCKS 12 AND 13 IN W.O. COLE'S SUBDIVISION OF THE EAST HALF OF THE NORTHWEST QUARTER (EXCEPT THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER) OF SECTION 5, TOWNSHIP 37 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE SOUTH 16.0 FEET OF SAID LOT 2 AS DEDICATED FOR PUBLIC ALLEY BY DOCUMENT NO. 16826176 RECORDED FEBRUARY 14, 1957 AND LYING SOUTH OF THE FOLLOWING DESCRIBED LINE: COMMENCING AT THE SOUTHWEST CORNER OF SAID LOT 2; THENCE NORTH ALONG THE WEST LINE OF SAID LOT 2, 49.64 FEET, TO THE SOUTH EDGE OF THE NEWLY CONSTRUCTED CONCRETE SIDEWALK AS IN PLACE OCTOBER 1, 1999, BEING ALSO THE POINT OF BEGINNING FOR SAID LINE; THENCE EAST ALONG SAID SOUTH EDGE OF SIDEWALK, 114.46 FEET, TO THE STARTING POINT OF AN IRREGULAR CURVE IN SAID SOUTH EDGE OF SIDEWALK, CONVEXED TO THE NORTH AND NORTHEAST, SAID POINT BEING 50.01 FEET NORTH OF THE SOUTH LINE AND 114.46 FEET EAST OF THE WEST LINE OF SAID LOT 2; THENCE CONTINUING ALONG SAID SOUTH EDGE OF SIDEWALK AND THE IRREGULAR CURVE TO A POINT ALONG SAID CURVE BEING 48.66 FEET NORTH OF THE SOUTH LINE AND 121.16 FEET EAST OF THE WEST LINE OF SAID LOT 2; THENCE CONTINUING ALONG SAID SOUTH EDGE OF SIDEWALK AND THE IRREGULAR CURVE, TO THE ENDING POINT OF SAID CURVE AND THE INTERSECTION POINT OF SAID SOUTH EDGE OF SIDEWALK WITH THE SOUTH EDGE OF A CONCRETE DRIVEWAY APRON, SAID POINT BEING 47.19 FEET NORTH OF THE SOUTH LINE AND 122.86 FEET EAST OF THE WEST LINE OF SAID LOT 2; THENCE EAST ALONG THE SOUTH EDGE OF SAID CONCRETE APRON, 2.08 FEET, TO A POINT ON THE EAST LINE OF SAID LOT 2, SAID POINT BEING 47.17 FEET NORTH OF THE SOUTH LINE OF SAID LOT 2 AND THE TERMINUS OF SAID LINE.

### PARCEL 2:

LOTS 3, 4, 5 AND 6 IN BLOCK 12 IN H.H. THOMAS' SUBDIVISION OF BLOCKS 12 AND 13 IN W.O. COLE'S SUBDIVISION AFORESAID, ALL IN COOK COUNTY, ILLINOIS.

### PARCEL 3:

THE SOUTH 16.0 FEET OF LOT 2 IN BLOCK 12 IN H.H. THOMAS' SUBDIVISION OF BLOCKS 12 AND 13 IN W.O. COLE'S SUBDIVISION AFORESAID AS VACATED BY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHICAGO, A COPY OF WHICH WAS RECORDED DECEMBER 1, 1999 AS DOCUMENT NO. 09123105, ALL IN COOK COUNTY, ILLINOIS.\*\*\*

Address: 8915 South Loomis Street, Chicago, Illinois

PINS: 25-05-120-001-0000; 25-05-120-002-0000; 25-05-120-003-0000;  
25-05-120-004-0000; 25-05-120-005-0000