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WHEN RECORDED, RETURN TO:
James L. Palmer
33 West Monroe Street,
21st floor
Chicago, Illinois 60604



FIRST AMENDED AND RESTATED
CERTIFICATE OF LIMITED PARTNERSHIP
OF
GRACE-SHEFFIELD LIMITED PARTNERSHIP

85324169

A Certificate of Limited Partnership for Graco-Sheffield Limited Partnership (hereinafter sometimes referred to as the "Partnership"), was filed with the Recorder of Deeds of Cook County, Illinois on September 30, 1985, as Document No. 85210672. The undersigned wish to amend and restate said Certificate of Limited Partnership and do hereby certify as follows:

I. The name under which the Partnership is to be conducted is GRACE-SHEFFIELD LIMITED PARTNERSHIP.

II. The character of the business of the Partnership shall be to acquire, construct, lease and thereafter hold, for investment purposes, a residential housing project to contain approximately eighty (80) residential dwelling units at 3801 North Sheffield Street, Chicago, Illinois (the "Property"). The Partnership shall have the power to enter into all agreements regarding the issuance of revenue bonds by the City of Chicago to assist in financing the acquisition and construction of the Property and shall have the power to construct, own, mortgage, lease and sell the Property in any manner, and to make investments of every kind and description, including without limitation, investments in common and preferred stock and general and limited partnership interests, to the extent that funds therefor are available. The Partnership shall have all powers necessary or desirable to accomplish the purposes hereinabove set forth.

III. The location of the principal place of business of the

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Partnership shall initially be located at 2536 North Halsted Street, Chicago, Illinois, with subsidiary offices at 33 West Monroe Street, 21st floor, Chicago, Illinois 60603, and such other place or places within and without the State of Illinois as may be selected from time to time by the Administrative General Partner.

IV. The names and residence addresses of the General Partners and the Limited Partners are as follows:

GENERAL PARTNERS:

Eric-Marc Construction Company, Inc.	2536 North Halsted Street Chicago, Illinois 60614
Marc Z. Samotny	33 West Monroe Street 21st floor Chicago, Illinois 60603

LIMITED PARTNERS:

Milton Zale	2536 North Halsted Street Chicago, Illinois 60614
Milton A. Levenfeld	33 West Monroe Street 21st floor Chicago, Illinois 60603
Calvin Eisenberg	33 West Monroe Street 21st floor Chicago, Illinois 60603
RKJ Trust	33 West Monroe Street 21st floor Chicago, Illinois 60603
Donald A. Glassberg	33 West Monroe Street 21st floor Chicago, Illinois 60603
Alan F. Segal	33 West Monroe Street 21st floor Chicago, Illinois 60603
Martin Weinstein	33 West Monroe Street 21st floor Chicago, Illinois 60603
Randall J. Gingiss	33 West Monroe Street 21st floor Chicago, Illinois 60603

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V. The term for which the Partnership is to exist is until wound up upon the occurrence of any one or more of the following events:

- (a) the bankruptcy, dissolution or withdrawal of the last remaining General Partner; provided, however, that upon written election of Limited Partners entitled to 100% of the net profits of the Partnership allocable to the Limited Partners at that time, a new General Partner or General Partners may be named and the business of the Partnership shall continue;
- (b) the sale, exchange or involuntary conversion of all or substantially all the Partnership's non-cash assets; provided, however, that if any such sale or disposition involves the extension of purchase money financing by the Partnership, the Partnership shall not terminate until such financing has been paid in full; or
- (c) December 31, 2020.

VI. The amount of property to be contributed by the Limited Partners is shown on Schedule A, attached hereto and made a part hereof by this reference, under the headings "Initial Contribution" and "November 15, 1986 Contribution". The November 15, 1986 Contribution of a Partner shall be evidenced by a promissory note made payable to the Partnership and delivered by each Partner to the Partnership.

VII. No Limited Partner shall be assessed for additional contributions except as follows:

The amount of any Illinois Personal Property Replacement Income Tax or successor tax or other tax assessed in a similar manner to the Illinois Personal Property Replacement Income Tax

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which is required to be paid by the Partnership with respect to any partner's allocable share of the taxable income of the Partnership shall not be deducted in determining cash flow but shall be debited to the capital account of such partner. The amount of such payment shall be deducted from the cash flow distributions otherwise due to be paid to such partner to the extent thereof and the Partnership shall assess such Limited Partner for any excess which shall then be paid by such Limited Partner to the Partnership forthwith. Each Limited Partner hereby indemnifies the Partnership and the General Partners, and the officers, directors, shareholders and other affiliates of the General Partners, and agrees to hold them harmless from any liability or loss they might incur by virtue of the assessment of any such tax with respect to such Limited Partner's allocable share of the taxable income of the Partnership.

VIII. The contributions of the Limited Partners are to be returned only upon the winding up of the Partnership and only to the extent a Limited Partner has a positive capital account at such time, except to the extent cash flow distributed to the Limited Partner pursuant to the provisions of Schedule B, attached hereto and made a part hereof by this reference, exceeds said Limited Partner's share of the net profits of the Partnership, as computed pursuant to Schedule B.

IX. The share of the net profits or other compensation by way of income which each Limited Partner shall receive by reason of his contribution is shown on Schedule A.

X. No assignee, logatee, distributee, heir or transferee (by

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conveyance, operation of law or otherwise) of the whole or any portion of any Limited Partner's interest in the Partnership shall have the right to become a substituted Limited Partner as that term is defined in the Illinois Uniform Limited Partnership Act, without the written consent of the General Partners. The consent or approval of the other partners shall not also be required, if the assignor gives the assignee the right to become a substituted Limited Partner. If a Limited Partner shall die, his heirs, executors, administrators, or trustees, or if he be adjudicated insane or incompetent, his committee, conservator or representative shall have the same rights and obligations which such Limited Partner would have had if he had not died or had not been adjudicated insane or incompetent except that his heirs, executors, administrators, trustees, committee, conservator or representative (hereinafter sometimes called his successor or successors) shall not become substituted Limited Partners without the written consent of the General Partners.

XI. The General Partners, in their discretion, are authorized to admit additional Limited Partners to the Partnership until there shall have been admitted to the Partnership Limited Partners with aggregate Participations of \$750,000.00. In the event any Partner does not make his November 15, 1986 Contribution then the General Partners shall send written notice to the defaulting Partner of such failure to make any such payment. If a Partner shall not make any such payment within thirty (30) days of such notice, the General Partners may exercise in their discretion either one of the following rights on behalf of the Partnership:

- (a) to pursue any available remedy or remedies against such defaulting Partner at law or in equity; or

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(b) to reduce the interest of the defaulting Partner in the net profits, net losses and cash flow of the Partnership during any year in which payment of a capital contribution is required to zero, and in each succeeding year in which payment of a capital contribution is not required, to 10% of the interest to which the defaulting Partner would have been entitled if his total Participation was equal only to the contributions actually made by him. The General Partners may (but shall not be required to) contribute the unpaid portion of the defaulting Partner's capital contribution itself or procure such amount from any other Partner or from a new investor. Thereafter, the defaulting Partner shall have no further obligation or right to make the payment in default or any subsequent capital contribution to the Partnership. Either the General Partners or the new investor or both, as the case may be, shall upon execution of a counterpart of this Certificate and payment of the defaulting Partner's delinquent capital contribution become a Limited Partner. The General Partners or new investor who becomes a Limited Partner pursuant to the proceedings outlined in this subparagraph or an existing Limited Partner who pays the unpaid portion of a capital contribution, in addition to his interest as a Limited Partner in the Partnership prior to this adjustment, shall be entitled to: (i) in each year in which payment of a capital contribution is required, all of the net profits, net losses and cash flow of the Partnership to which the defaulting Partner would have been entitled had he paid the capital contribution in the year in question; and (ii) in each year thereafter in which payment of a capital contribution is not required, be treated as a Limited Partner with a "Participation Percentage" (as such term is hereinafter defined) equal to the difference between the Participation Percentage of the defaulting Partner prior to his default and the Participation Percentage to which the defaulting Partner is reduced as a result of his default for the years in which capital contributions are not required as provided above.

If the procedure provided for in subparagraph (b) above is followed, an amended Certificate of Limited Partnership shall be executed and filed. Said amended Certificate of Limited Partnership shall reflect the revised Participation Percentages

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provided for in said subparagraph (b).

XII. No Limited Partner is given any priority over any other Limited Partner as to the return of contributions or as to compensation by way of income.

XIII. Except as provided below, no partner shall have the right to withdraw from the Partnership or demand payment of his capital account prior to the winding up of the Partnership as provided for in Article V above.

- (a) Upon the bankruptcy, dissolution or withdrawal of the last remaining General Partner, the Partnership shall be dissolved and its assets liquidated for dissolution; provided, however, that a new limited partnership shall be formed (hereinafter referred to as the "New Limited Partnership"), if all of the Limited Partners shall so agree, in which (i) such person(s) or corporation(s) as all of the Limited Partners may select shall be General Partners; (ii) the Limited Partners hereunder shall be Limited Partners as they were in the dissolved Partnership; (iii) the General Partners hereunder or their successors in interest shall be Limited Partners; (iv) subject to the provisions of subparagraph (d) below, each partner of this Partnership and the new General Partner or General Partners shall have such interests in the New Limited Partnership that shall be agreed among them; and (v) all of the assets of any nature whatsoever of this Partnership shall be transferred to the New Limited Partnership which shall assume all of the liabilities of this Partnership.
- (b) If a New Limited Partnership is formed pursuant to subparagraph (a) above, all of the partners therein will execute a Limited Partnership Agreement containing terms and conditions substantially identical to those contained in this instrument, and a Certificate of Limited Partnership pursuant thereto, for the purpose of effectuating the provisions of subparagraph (a) above. Thereafter, the relations of such partners shall no longer be governed by the Articles of Limited Partnership.
- (c) The death, insanity or incompetency of a Limited Partner shall not dissolve the

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Partnership, and it shall be continued with the legal representative of a Limited Partner who dies, became insane or incompetent continuing in the Partnership, not as a substituted Limited Partner, but only having rights of an assignee under the Act, until the consent of the General Partners is obtained in the manner provided in Paragraph XI of this Certificate of Limited Partnership and the execution of the documents described in said Paragraph XI is completed.

- (d) The Partnership shall purchase the interest of any Limited Partner who shall become bankrupt as of the day immediately prior to the date of such bankruptcy at a price equal to the capital account of such partner as of said date. The terms of payment for such interest shall be no cash down, with the amount of the purchase price payable in five (5) equal, successive annual installments. The installments shall, together with interest on the unpaid balance of the purchase price at a rate equal to the lesser of (i) 9% compounded semiannually, or (ii) the "Federal mid-term rate", compounded semiannually, as determined pursuant to Section 1274(d) of the Internal Revenue Code of 1954, as amended, commence on the first anniversary of the settlement date and the remaining four (4) installments of principal and interest shall be paid on each succeeding anniversary. The Partnership shall have the full right to prepay this purchase price, in whole or in part, without penalty. If as of the date prior to such bankruptcy there is a negative balance in the capital account of such partner, the interest of such partner shall be purchased by the Partnership for a price of Ten Dollars (\$10.00) cash, not in installments.
- (e) For purposes of this Certificate, bankruptcy shall include: (i) an assignment for the benefit of creditors; (ii) the filing of a voluntary bankruptcy or reorganization petition; and (iii) the failure to vacate the appointment of a receiver or trustee for all or any part of a partner's assets or property within five (5) days from the date of such appointment.

XIV. No Limited Partner is given the right to demand and receive property other than cash in return for his contribution.

IN WITNESS WHEREOF, the undersigned General Partners and

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Limited Partners have sworn to and executed this Certificate or caused this Certificate to be executed.

GENERAL PARTNERS:

ATTEST:

By *M. Zale*
Secretary

(Corporate Seal)

Marc Z. Samotny
Marc Z. Samotny

ERIC-MARC CONSTRUCTION
COMPANY, INC., an Illinois
corporation

By *M. Zale*
Milton Zale, President

LIMITED PARTNERS:

Milton Zale
Calvin Eisenberg
Donald A. Glassberg
Martin Weinstein

Milton A. Levenfeld
RKJ Trust
Alan F. Segal
Randall J. Gingiss

Pursuant to a Power of Attorney granted by the Limited Partners of GRACE-SHEFFIELD LIMITED PARTNERSHIP, the undersigned are each authorized to sign, swear to and acknowledge this First Amended and Restated Certificate of Limited Partnership on behalf of the above named Limited Partners of GRACE-SHEFFIELD LIMITED PARTNERSHIP.

M. Zale
Milton Zale, as Attorney-in-fact for the Limited Partners named above.

Marc Z. Samotny
Marc Z. Samotny, as Attorney-in-fact for the Limited Partners named above.

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this 16th day of December, 1985, before me, the undersigned, a Notary Public in and for said State and County, personally appeared Milton Zale, known to me to be the same person who executed the within instrument on behalf of the Limited Partners of GRACE-SHEFFIELD LIMITED PARTNERSHIP, as the duly authorized Attorney-in-Fact of the Limited Partners, and swore to and acknowledged to me that he executed the within instrument in the capacity indicated for the uses and purposes set forth herein and that the information set forth therein is true.

Leslie Kiss-Owens
Notary Public

(SEAL)

My commission expires:

September 24, 1987

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this _____ day of December, 1985, before me, the undersigned, a Notary Public in and for said State and County, personally appeared Milton Zale, known to me to be the same person who executed the within instrument as President of ERIC MARC CONSTRUCTION COMPANY, INC., an Illinois corporation, a General Partner of GRACE-SHEFFIELD LIMITED PARTNERSHIP, and swore to and acknowledged to me that he executed the within instrument in the

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capacity indicated for the uses and purposes set forth herein and that the information set forth therein is true.

Debbie Kies-Owens
Notary Public

(SEAL)

My commission expires:

September 24, 1987

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this _____ day of December, 1985, before me, the undersigned, a Notary Public in and for said State and County, personally appeared Marc Z. Samotny, known to me to be the same person who executed the within instrument as a General Partner of GRACE-SHEFFIELD LIMITED PARTNERSHIP, as the duly authorized Attorney-in-fact of the Limited Partners, and swore to and acknowledged to me that he executed the within instrument in the capacity indicated for the uses and purposes set forth herein and that the information set forth therein is true.

Debbie Kies-Owens
Notary Public

(SEAL)

My commission expires:

September 24, 1987

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SCHEDULE A
TO
FIRST AMENDED AND RESTATED
CERTIFICATE OF LIMITED PARTNERSHIP
OF
GRACE-SHEFFIELD LIMITED PARTNERSHIP

<u>Partner</u>	<u>Initial Contribution</u>	<u>11/15/86 Contribution</u>	<u>Participation Percentage</u>
Milton Sale	\$73,500	\$294,000	49.00%
Milton A. Levenfeld	14,700	58,800	9.80%
Calvin Eisenberg	15,435	61,740	10.29%
RKJ Trust	11,025	44,100	7.35%
Donald A. Glassberg	11,025	44,100	7.35%
Alan F. Segal	8,820	35,280	5.88%
Martin Weinstein	750	3,000	0.50%
Randall J. Gingiss	750	3,000	0.50%

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SCHEDULE B
TO
FIRST AMENDED AND RESTATED
CERTIFICATE OF LIMITED PARTNERSHIP
OF
GRACE-SHEFFIELD LIMITED PARTNERSHIP

A. The net profits and losses of the Partnership as finally determined on an annual basis for Federal income tax purposes shall be allocated among the partners in the same manner as cash flow is distributed pursuant to Paragraph C of this Schedule B. Investment tax credits shall be allocated among the partners in the same manner as the partners shall share net profits of the Partnership at the time of such allocation. Any recapture of depreciation or investment tax credits shall be allocated among the partners as such depreciation or investment tax credits, as the case may be, shall have been shared initially among the partners. For purposes of allocating net profits and losses, a partner shall be deemed to have been admitted to the Partnership as of the first day of the month if he is admitted in fact during the first 15 days of the month, and a partner admitted after the first 15 days of the month shall be deemed to be admitted to the Partnership as of the first day of the succeeding month.

B. For purposes hereof, "net profits" or "net losses" shall mean the net income or loss of the Partnership, in each instance as finally determined for Federal income tax purposes by the accountants for the Partnership. If such difference shall be greater than zero, it shall be known as a net profit and if such difference shall be less than zero, the amount by which it is less than zero shall be known as a net loss. Net profits and net losses shall not include any income, gain or loss from the sale,

exchange or involuntary conversion of all or substantially all of the Partnership's non-cash assets.

C. The cash flow of the Partnership shall consist of all cash received by the Partnership from any source, less cash expended for the debts and expenses of the Partnership, principal payments on any indebtedness of the Partnership, capital expenditures and reasonable reserves otherwise required, in the discretion of the General Partners, for the Partnership business. Cash flow shall not include items distributable pursuant to the provisions of Paragraph D of this Schedule B. For any taxable year of the Partnership, cash flow shall be allocated among the partners in accordance with their Participation Percentages.

D. (a) Gain, loss or ordinary income from the sale, exchange or involuntary conversion of all or substantially all of the Partnership's non-cash assets shall be allocated among the Partners as follows:

(i) First, to the partner or partners with the largest "Relative Capital Account Quotient", as defined below, in the event of a loss, or the partner or partners with the smallest Relative Capital Account Quotient, in the event of a gain, until such Quotient shall be equal to the Relative Capital Quotient of the partner or partners with the next largest or smallest Relative Capital Account Quotient, as the case may be, and thereafter successively to the partner or partners with the largest or smallest Relative Capital Account Quotient, as the case may be, until all Relative Capital Account Quotients of all partners shall be equal;

(ii) Then among all of the partners in accordance with their Participation Percentages;

(iii) A Relative Capital Quotient shall be determined for each partner by dividing each partner's then capital account by the percentage of the net profits of the Partnership to which such partner shall be entitled at the time of the event giving rise to such gain or loss (without regard to any adjustment to any partner's capital account which shall have been made pursuant to

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the provisions of Section 754 of the Internal Revenue Code of 1954, as amended, if applicable).

(b) Any proceeds resulting from the transactions described in subparagraph (a) of this Paragraph D shall be distributed in accordance with the provisions of Paragraph E below.

(c) Proceeds from the sale, exchange or involuntary conversion of less than substantially all of the non cash assets of the Partnership and net proceeds from the refinancing of Partnership debt (which does not dissolve the Partnership pursuant to Article V of this First Amended and Restated Certificate of Limited Partnership) shall be distributed in accordance with the partners Participation Percentages.

E. In the event of the dissolution of the Partnership for any reason, the Partnership assets shall be liquidated for distribution in the following rank and order:

- (i) Payment of creditors of the Partnership in the order of priority provided by law;
- (ii) Establishment of reserves to provide for contingent liabilities, if any;
- (iii) Payments of debt of the Partnership to partners of the Partnership, if any, in the order of priority provided by law; and
- (iv) Distributions to the partners in accordance with the amounts of their capital accounts.

F. Each item of income, deduction, gain, loss, credit or distribution allocated to the Limited Partners, pursuant to this Schedule B, shall be allocated among them in accordance with their

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Participation Percentages as follows:

<u>Limited Partner</u>	<u>Participation Percentage</u>
Milton Zale	54.0421%
Milton A. Levenfeld	10.8084%
Calvin Eisenberg	11.3488%
RKJ Trust	8.1063%
Donald A. Glassberg	8.1063%
Alan F. Segal	6.4851%
Martin Weinstein	0.5515%
Randal J. Gingiss	0.5515%
	<u>100.0000%</u>

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