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LAND USE RESTRICTION AGREEMENT

THIS LAND USE RESTRICTION AGREEMENT (the "Agreement") is entered into as of April 1, 1987, by and among the CITY OF CHICAGO, a municipal corporation and home rule unit of local government under the Constitution and laws of the State of Illinois (the "Issuer"), AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee (the "Trustee") under a Trust Indenture, dated as of April 1, 1987 (the "Indenture"), from the Issuer to the Trustee, LASALLE NATIONAL BANK, not individually, but solely as trustee under Trust No. 111691 (the "Mortgagor"), and JEFFERY PARTNERS, a limited partnership organized and existing under the laws of the State of Illinois (the "Owner"),

WITNESSETH:

WHEREAS, the Issuer has issued its Multi-Family Housing Revenue Bonds, Series 1987 (FHA Insured Mortgage Loan -- Jeffery Apartments Project) (the "Bonds"), for the purpose, among others, of making funds available to the Trustee to make a FHA-insured mortgage loan (the "Mortgage Loan") to the Mortgagor to finance the acquisition and rehabilitation and equipping on the real property described in Exhibit A attached hereto, of an approximately 150-unit multi-family rental housing development, consisting of three distinct and separate parcels of real property, each parcel having situated thereon an existing building and related facilities and improvements (such parcels of real property, buildings and related facilities and improvements collectively referred to herein as the "Project"); and

WHEREAS, in order to preserve the exemption from Federal income taxation of interest on the Bonds, it is necessary for the Owner and the Mortgagor to comply with certain requirements imposed by the Internal Revenue Code of 1986 (the "Code") and applicable regulations heretofore or hereafter promulgated thereunder, including to the extent applicable to the Bonds, regulations promulgated under the Internal Revenue Code of 1954, as amended (the "Regulations");

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the Owner, the Mortgagor, the Issuer and the Trustee agree as follows:

Section 1. Term of Restrictions.

(a) Occupancy Restrictions: The term of the Occupancy Restrictions set forth in Section 3 hereof shall commence on the later of the first day on which at least ten percent (10%) of the units in the Project are first occupied following the rehabilitation thereof, and shall end on the latest of (i) the date which is fifteen (15) years after the date on which fifty percent (50%) of the units in the Project are first occupied following the rehabilitation thereof; (ii) the first day on which no tax-exempt bond (including any refunding bond) issued with respect to the Project is outstanding; or (iii) the date on which any housing assistance provided with respect to the Project

This instrument was prepared by Jay Gilbert
Rudnick & Wolfe, 30 North LaSalle Street,
Suite 2900, Chicago, Illinois 60602

Box 430

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under Section 8 of the United States Housing Act of 1937, as amended, terminates (which period is hereinafter referred to as the "Qualified Project Period").

(b) Rental Restrictions: The Rental Restrictions set forth in Section 4 hereof shall remain in effect during the Qualified Project Period set forth in paragraph (a) of this Section 1.

(c) Involuntary Loss or Substantial Destruction: The Occupancy Restrictions set forth in Section 3 hereof, and the Rental Restrictions set forth in Section 4 hereof, shall cease to apply to the Project in the event of involuntary noncompliance caused by fire, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, change in Federal law or an action of a Federal agency after the date of delivery of the Bonds, which prevents the Issuer and the Trustee from enforcing the Occupancy Restrictions and the Rental Restrictions, or condemnation or similar event, but only if, within a reasonable time, (i) all of the Bonds are promptly retired, or amounts received as a consequence of such event are used to provide a new project which meets all of the requirements of this Agreement, which new project is subject to new restrictions substantially equivalent to those contained in this Agreement, and which is substituted in place of the Project by amendment of this Agreement; and (ii) an opinion from nationally recognized bond counsel (acceptable to the Issuer and the Trustee) is delivered to the Issuer, the Trustee, the Mortgagor and the Owner to the effect that noncompliance with the Occupancy Restrictions and the Rental Restrictions as a result of such involuntary loss or substantial destruction resulting from an unforeseen event will not adversely affect the exemption from Federal income taxation of the interest on the Bonds; provided, however, that the preceding provisions of this paragraph shall cease to apply in the case of such involuntary noncompliance caused by foreclosure, transfer of title by deed in lieu of foreclosure or similar event if at any time during the Qualified Project Period subsequent to such event the Owner or any Affiliated Party (as hereinafter defined) obtains an ownership interest in the Project for Federal income tax purposes. "Affiliated Party" means a person whose relationship to another person is such that (i) the relationship between such persons would result in a disallowance of losses under Section 267 or 707(b) of the Code; or (ii) such persons are members of the same controlled group of corporations (as defined in Section 1563(a) of the Code, except that "more than 50 percent" shall be substituted for "at least 80 percent" each place it appears therein).

(d) Termination: This Agreement shall terminate (1) with respect to the Project upon the (i) termination of the Qualified Project Period, as defined in paragraph (a) of this Section 1; or (ii) delivery to the Issuer, the Trustee, the Mortgagor and the Owner of an opinion of nationally recognized bond counsel (acceptable to the Issuer and the Trustee) to the effect that continued compliance with the Rental Restrictions and Occupancy Restrictions is not required in order for interest on the Bonds to remain exempt from Federal income taxation; and (2) with respect to HUD, upon the occurrence of the events described in the second paragraph of Section 10 hereof.

(e) Certification: Upon termination of this Agreement with respect to the Project, the Owner, the Issuer, the Mortgagor and the Trustee shall execute and cause to be recorded (at the Owner's expense), in all offices in which this Agreement was recorded, a certificate of termination, specifying which of the restrictions contained herein has terminated.

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Section 2. Project Restrictions. The Owner represents, warrants and covenants that:

(a) The Owner has reviewed the provisions of the Code and the Regulations (including, without limitation, Section 142(d) of the Code and Section 1.103-8(b) of the Regulations) with its counsel and understands said provisions.

(b) The Project is being acquired, rehabilitated and equipped for the purpose of providing a "qualified residential rental project" (as such phrase is used in Section 142(d) of the Code) and will, during the term of the Rental Restrictions and Occupancy Restrictions hereunder, continue to constitute a "qualified residential rental project" under Section 142(d) of the Code and any Regulations heretofore or hereafter promulgated thereunder.

(c) The Project will consist of a "building or structure" (as defined in Section 1.103-8(b)(8)(iv) of the Regulations), or several proximate buildings or structures, of similar construction, each containing one or more similarly constructed residential "units" (as defined in Section 1.103-8(b)(8)(i) of the Regulations) located on a single tract of land or contiguous tracts of land (as defined in Section 1.103-8(b)(4)(ii)(B) of the Regulations), which will be owned, for Federal tax purposes, at all times by the same person, and financed pursuant to a common plan (within the meaning of Section 1.103-8(b)(4)(ii) of the Regulations), together with functionally related and subordinate facilities (within the meaning of Section 1.103-8(b)(4)(iii) of the Regulations). Each such building or structure shall contain five (5) or more similarly constructed units.

(d) None of the residential units in the Project will at any time be used on a transient basis, nor will the Project itself be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer park or court for use on a transient basis.

(e) All of the residential units in the Project will be leased, rented, or available for lease or rental on a continuous basis to members of the general public (other than units for resident managers or maintenance personnel), subject, however, to the requirements of Section 3(a) hereof. Each Qualifying Tenant (as hereinafter defined) occupying a residential unit in the Project shall be required to execute a written lease with a stated term of at least six (6) months.

(f) Any functionally related and subordinate facilities (e.g., parking areas, swimming pools, tennis courts, etc.) which are to be included as part of the Project will be made available to all tenants on an equal basis. Fees will only be charged with respect to the use thereof if the charging of fees is customary for the use of such facilities at similar residential rental properties in the surrounding area (i.e., within a one-mile radius of the Project) and then only in amounts commensurate with the fees being charged at similar residential rental properties within such area. In any event, any fees charged will not be discriminatory or exclusionary as to the Qualifying Tenants (as defined in Section 3 hereof). No functionally related and subordinate facilities of the Project will be made available to persons other than tenants of the Project or their guests, other than parking

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facilities which may be made available to the general public only on the basis of hourly rates and only so long as the availability of parking spaces for tenants who have paid monthly parking fees shall be reasonably available. Monthly parking will be made available to all tenants on a first-come, first-served basis.

(g) Each residential unit in the Project will contain separate and complete facilities for living, sleeping, eating, cooking and sanitation for a single person or family.

(h) No portion of the Project will be used to provide any health club facility, any facility primarily used for gambling, or any store, the principal business of which is the sale of alcoholic beverages for consumption off premises, in violation of Section 147(e) of the Code.

Section 3. Occupancy Restrictions. The Owner represents, warrants and covenants that:

(a) Pursuant to the election of the Issuer made in accordance with the provisions of Section 142(d)(1) of the Code as set forth in the Indenture, at all times during the Qualified Project Period, at least twenty percent (20%) of the completed residential units in the Project shall be continuously occupied (computed in the manner prescribed in Section 1.167(k)3(b)(3) of the Regulations) (or treated as occupied as provided herein) or held available for occupancy by Qualifying Tenants as herein defined. For purposes of this Agreement, "Qualifying Tenants" means individuals or families whose aggregate adjusted incomes do not exceed fifty percent (50%) of the applicable median gross income (adjusted for family size) for the area in which the Project is located, as such income and area median gross income are determined by the Secretary of the United States Treasury in a manner consistent with determinations of income and area median gross income under Section 8 of the United States Housing Act of 1937 (or, if such program is terminated, under such program as in effect immediately before such termination).

(b) Prior to the commencement of occupancy of any unit to be occupied by a Qualifying Tenant, the prospective tenant's eligibility shall be established by execution and delivery by such prospective tenant of an Income Computation and Certification in the form attached hereto as Exhibit B (the "Income Certification") evidencing that the aggregate adjusted income of such prospective tenant does not exceed the applicable income limit. In addition, such prospective tenant shall be required to provide whatever other information, documents or certifications are reasonably deemed necessary by the Owner, the Issuer or the Trustee to substantiate the Income Certification.

(c) Not less frequently than annually, the Owner shall determine whether the then current aggregate adjusted income of each tenant occupying any unit being treated by the Owner as occupied by a Qualifying Tenant exceeds the applicable income limit. For such purpose the Owner shall require each such tenant to execute and deliver an updated Income Certification.

(d) Any unit vacated by a Qualifying Tenant shall be treated as continuing to be occupied by such tenant until reoccupied, other than a unit reoccupied for a temporary period not to exceed thirty-one (31) days, at which time the character of such unit as a unit occupied or not occupied by a Qualifying Tenant shall be redetermined.

(e) If an individual's or family's income exceeds the applicable income limit as of any date of determination, the income of such individual or family shall be treated as continuing not to exceed the applicable limit; provided that the income of an individual or family did not exceed the applicable income limit upon commencement of such tenant's occupancy or as of any prior income determination; provided, however, that if any individual's or family's income as of the most recent income determination exceeds one-hundred and forty percent (140%) of the applicable income limit, such individual or family shall cease to qualify as a Qualifying Tenant if, prior to the next income determination of such individual or family, any unit in the Project of comparable or smaller size to such individual's or family's unit becomes occupied by any tenant other than a Qualifying Tenant.

(f) For purposes of satisfying the requirement that 20% of the completed residential units be occupied by Qualifying Tenants, the following principles shall apply: (i) at the time 10% of the residential units in the Project are occupied, 20% of that 10% of the units must be occupied by Qualifying Tenants; and (ii) after 10% of the residential units in the Project are occupied, non-Qualifying Tenants may occupy units in the Project in the number set forth in Exhibit D hereto, but only if the Qualifying Tenants' occupancies predate the non-Qualifying Tenants' occupancies.

(g) No lease shall be entered into by the Owner with any tenant proposed to be treated by the Owner as a Qualifying Tenant unless such lease contains a provision requiring such tenant to complete an Income Certification on an annual basis during the term of the lease. Such lease shall also provide for termination of the lease and consent by such person to immediate eviction, subject to applicable provisions of Illinois law, for (i) failure to complete an Income Certification at the times required thereunder, and (ii) any material misrepresentation made by such person with respect to any Income Certification.

(h) All Income Certifications shall be maintained on file by the Owner until five (5) years after the Qualified Project Period with respect to each Qualifying Tenant who occupied a residential unit in the Project during the Qualified Project Period, and the Owner will, promptly upon receipt, file a copy thereof with the Issuer and the Trustee.

(i) On the first day of the Qualified Project Period, on the first days of March, June, September and December of each year during the Qualified Project Period, and within thirty (30) days after the final day of each month in which there occurs any change in the occupancy of a residential unit occupied by a Qualifying Tenant, the Owner will submit to the Issuer and the Trustee a "Certificate of Continuing Program Compliance," in the form attached hereto as Exhibit C, executed by the Owner.

(j) The Owner shall submit to the Secretary of the United States Treasury (at such time and in such manner as the Secretary shall prescribe) annual certifications as to whether the Project continues to meet the requirements of Section 142(d) of the Code. Failure to comply with such requirement shall subject the Owner to penalty as provided in Section 6652(j) of the Code.

Section 4. Rental Restrictions. The Owner represents, warrants and covenants that once available for occupancy, each residential unit in the

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Project will be rented or available for rental on a continuous basis to members of the general public (other than (a) units for a resident manager or maintenance personnel, (b) units for Qualifying Tenants as provided for in Section 3 hereof, and (c) units which may be rented under the Section 8 assistance program, which units (subject to the Section 8 assistance program) shall be leased to eligible tenants in accordance with Section 8 requirements.) If a Housing Assistance Payments Contract is subsequently entered into with respect to the Project under the Section 8 assistance program, in administering the restrictions hereunder, the Owner will comply with all Section 8 requirements.

Section 5. Transfer Restrictions. The Owner covenants and agrees that no conveyance, transfer, assignment or any other disposition of title to the Project (a "Transfer") shall be made prior to the termination of the Rental Restrictions and Occupancy Restrictions hereunder, unless the transferee pursuant to the Transfer assumes in writing, in a form reasonably acceptable to the Issuer and the Trustee, all of the executory duties and obligations hereunder of the Owner and the Mortgagor, including this Section 5, and agrees to cause any subsequent transferee to assume such duties and obligations in the event of a subsequent Transfer by the transferee prior to the termination of the Rental Restrictions and Occupancy Restrictions hereunder (the "Assumption Agreement"). The Owner shall deliver any such Assumption Agreement to the Issuer and the Trustee at least thirty (30) days prior to a proposed Transfer.

Section 6. Enforcement.

(a) The Owner shall permit all duly authorized representatives of the United States Department of Housing and Urban Development ("HUD"), the Issuer and the Trustee to inspect any books and records of the Owner regarding the Project and with respect to the incomes of Qualifying Tenants which pertain to compliance with the provisions of this Agreement and Section 142(d) of the Code and the Regulations heretofore or hereafter promulgated thereunder.

(b) In addition to the information provided for in Section 3(i) hereof, the Owner shall submit any other information, documents or certifications reasonably requested by the Issuer or the Trustee which the Issuer or the Trustee deems reasonably necessary to substantiate continuing compliance with the provisions of this Agreement and Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

(c) Subject to Section 11(4) hereof, the Issuer, the Trustee, the Mortgagor and the Owner each covenants that it will not knowingly take or permit to be taken any action within its control that would adversely affect the exemption from Federal income taxation of interest on the Bonds. Moreover, each covenants to take any lawful action within its control (including amendment of this Agreement as may be necessary, in the opinion of nationally-recognized bond counsel) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service from time to time pertaining to obligations issued under Section 142(d) of the Code and affecting the Project.

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(d) The Owner and the Mortgagor each covenants and agrees to inform the Issuer and the Trustee by written notice of any violation of its obligations hereunder within five (5) days of first discovering any such violation. If any such violation is not corrected to the satisfaction of the Issuer and the Trustee within the period of time specified by either the Issuer or the Trustee, which shall be (A) the lesser of (i) forty-five (45) days after the effective date of any notice to or from the Owner, or (ii) sixty (60) days from the date such violation would have been discovered by the Owner by the exercise of reasonable diligence, or (B) such longer period as is specified in an opinion of bond counsel (acceptable to the Issuer and the Trustee) of nationally recognized standing in matters pertaining to the Federal income tax-exemption of interest on municipal bonds, and as in such opinion will not result in the loss of the exemption from Federal income taxation of interest on the Bonds, without further notice, the Issuer or the Trustee shall declare a default under this Agreement effective on the date of such declaration of default, and the Issuer or the Trustee shall apply to any court, state or federal, for specific performance of this Agreement or an injunction against any violation of this Agreement, or any other remedies at law or in equity or any such other actions as shall be necessary or desirable so as to correct noncompliance with this Agreement.

(e) The Owner, the Mortgagor, the Trustee and the Issuer each acknowledges that the primary purpose for requiring compliance with the restrictions provided in this Agreement is to preserve the exemption of interest on the Bonds from Federal income taxes, and that the Issuer and the Trustee on behalf of the owners of the Bonds, who are declared to be third party beneficiaries of this Agreement, shall be entitled for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

(f) In the enforcement of this Agreement, the Issuer and the Trustee may rely on any certificate delivered by or on behalf of the Owner or any tenant with respect to the Project.

(g) Nothing in this Section shall preclude the Issuer or the Trustee from exercising any remedies they might otherwise have, by contract, statute or otherwise, upon the occurrence of any violation hereunder.

(h) Nothing contained in this Agreement is intended to be more burdensome or stringent than that required by Section 142 of the Code and the Regulations in order to preserve the exemption from Federal income taxes of interest on the Bonds.

Section 7. Covenants to Run With the Land. The Owner hereby subjects the Project to the covenants, reservations and restrictions set forth in this Agreement. The Issuer, the Trustee, the Mortgagor and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants, reservations and restrictions running with the land to the extent permitted by law and shall pass to and be binding upon the Mortgagor's successors in title to the Project throughout the term of this Agreement. Each and every contract, deed, mortgage, lease or other instrument hereafter executed covering or conveying the Project or any portion thereof or interest therein (excluding any transferee of a limited partnership interest in the Owner) shall conclusively be held to have been

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executed, delivered and accepted subject to such covenants, reservations, and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed, mortgage, lease or other instrument.

Section 8. Recording. The Owner shall cause this Agreement and all amendments and supplements hereto to be recorded in the conveyance and real property records of Cook County, Illinois, and in such other places as the Issuer or the Trustee may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording.

Section 9. Agents of the Issuer and the Trustee. The Issuer and the Trustee shall each have the right to appoint agents to carry out any of its duties and obligations hereunder, and shall inform the other parties hereto of any such agency appointment by written notice.

Section 10. Subordination. Notwithstanding any other provision hereof, this Agreement shall be subject and subordinate to the lien and security interest granted by the Mortgage securing the Mortgage Loan (the "Mortgage"), and all rights and remedies of the Trustee and the Secretary of HUD thereunder; and this Agreement shall terminate and not be applicable to any person (excluding, however, the Owner, the Mortgagor or any "Affiliated Party," as defined in Section (2) hereof) acquiring title to the Project upon foreclosure or by deed in lieu of foreclosure upon the occurrence of a default under the Mortgage Loan.

In addition, notwithstanding any other provision of this Agreement, in the event the Secretary, or his successors in office, shall acquire title to the Project through the operation of the FHA Contract of Mortgage Insurance, either by foreclosure or deed in lieu of foreclosure, said Secretary shall not be bound by the covenants contained herein.

Section 11. No Conflict With Other Documents. The Owner warrants and covenants and the Mortgagor covenants that it has not and will not execute any other agreement with provisions inconsistent or in conflict with the provisions hereof (except documents that are subordinate to the provisions hereof), and the Owner and the Mortgagor agree that the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth, which supersede any other requirements in conflict herewith.

Notwithstanding any provisions of this Agreement to the contrary:

1. no failure on the part of the Owner or the Mortgagor to comply with the provisions hereof shall serve as a basis for default on the Mortgage Loan;
2. no amendment of the provisions hereof shall be effective prior to obtaining the approval of the Secretary of HUD therefor;
3. enforcement of the covenants contained herein shall not result in any claim against the Project, the Mortgage Loan proceeds, any reserve or deposit required by HUD in connection with the Mortgage Loan or the rents or other income from the Project (other than available surplus cash or distributions and residual receipts authorized for release by HUD, as appropriate);

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4. neither the Owner nor the Mortgagor shall be deemed to be in violation of this Agreement if it shall take (or refrain from taking) any actions required (or prohibited) by HUD pursuant to the National Housing Act of 1934, as amended, applicable mortgage insurance regulations, the HUD/FHA loan documents and Section 8 of the United States Housing Act of 1937, as amended, and the regulations thereunder ("Section 8"); and

5. the provisions hereof are subordinate to all applicable HUD mortgage insurance and Section 8 regulations and related administrative requirements; in the event of any conflict between the provisions of this Agreement and the provisions of any applicable HUD regulations, related HUD administrative requirements or HUD/FHA loan documents, the HUD regulations, related administrative requirements or loan documents shall control

Section 12. Interpretation. Any terms not defined in this Agreement shall have the same meaning as terms defined in Section 142(d) of the Code and the Regulations heretofore or hereafter promulgated thereunder.

Section 13. Amendment. This Agreement may be amended by the parties hereto, with the approval of HUD, to reflect applicable changes in Section 142(d) of the Code, the Regulations hereafter promulgated thereunder and revenue rulings promulgated thereunder, or in the interpretation thereof.

Section 14. Severability. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

Section 15. Notices. Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered and receipted for, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless the addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for acceptance), or on the first day after being sent by telegram, or on the third day after being deposited in United States registered or certified mail, postage prepaid. Any such notice, demand or other communication shall be addressed to a party at its address set forth below or to such other address the party to receive such notice may have designated to all other parties by notice in accordance herewith:

If to the Issuer:

Office of the City Comptroller
City of Chicago
City Hall, Room 501
121 North LaSalle Street
Chicago, Illinois 60602

Attention: City Comptroller

and to

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Department of Housing
City of Chicago
318 South Michigan Avenue
7th Floor
Chicago, Illinois 60604

Attention: Commissioner

with a copy to:

Corporation Counsel
City of Chicago
City Hall
121 North LaSalle Street
Chicago, Illinois 60602

If to the Mortgagor: LaSalle National Bank
135 South LaSalle Street
Chicago, Illinois 60690

Attention: Land Trust Department

If to the Owner: Jeffery Partners
c/o City Lands Corporation
1950 East 71st Street
Chicago, Illinois 60649

If to the Trustee: American National Bank and
Trust Company of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

Attention: Corporate Trust Department

If to FHA: U.S. Department of Housing and Urban
Development
Chicago Area Office, Region V
547 West Jackson Boulevard
Chicago, Illinois 60606

Section 16. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois, and where applicable, the laws of the United States of America.

Section 17. Limited Liability of Owner. Notwithstanding any other provision or obligation stated in or implied by this Agreement to the contrary, any and all undertakings and agreements of the Owner contained herein shall not (other than as expressly provided hereinafter in this paragraph) be deemed, interpreted or construed as the personal undertaking or agreement of, or as creating any personal liability upon, any past, present or future partner (limited or general) of the Owner and no recourse (other than as expressly provided hereinafter in this paragraph) shall be had against the property of any past, present or future partner (limited or general) of the Owner personally or individually for the performance of any undertaking, agreement or

obligation, or the payment of any money, under this Agreement or any document executed or delivered by or on behalf of the Owner pursuant hereto or in connection herewith or for any claim based thereon; provided, however, that nothing contained in this Section 17 shall limit the personal liability of past, present or future general partners of the Owner with respect to any one or more violations of the Occupancy Restrictions and Rental Restrictions contained herein beyond the cure period specified in Section 6(d) hereof. It is expressly understood and agreed that the Issuer, the Trustee and the owner of any Bonds, and their respective successors and assigns, shall have the right to sue for specific performance of this Agreement and to otherwise seek equitable relief for the enforcement of the obligations and undertakings of the Mortgagor and the Owner hereunder, including without limitation obtaining an injunction against any violation of this Agreement or the appointment of a receiver to take over and operate the Project in accordance with the terms of this Agreement.

Section 18. Limitation on Liability of Mortgagor. It is expressly understood and agreed by and among the parties hereto, anything herein to the contrary notwithstanding, that each and all of the representations, covenants, undertakings and agreements herein made on the part of the Mortgagor, while in form purporting to be the representations, covenants, undertakings and agreements of said Mortgagor, are nevertheless each and every one of them made and intended not as personal representations, covenants, undertakings and agreements by the Mortgagor or for the purpose or with the intention of binding said Mortgagor personally, but are made and intended for the purpose of binding only the assets of Land Trust No. 111691, and this instrument is executed and delivered by said Mortgagor not in its own right, but solely in the exercise of the powers conferred upon it as trustee under Land Trust No. 111691 and that no personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against, the Mortgagor, any representation, covenant, undertaking or agreement of said bank, as trustee under Land Trust No. 111691, in this instrument contained, either express or implied, all such personal liability, if any, being expressly waived and released.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and sealed by their respective, duly authorized representatives, as of the day and year first above written.

[SEAL]

ATTEST:

By

Its

[Signature]
City Clerk

CITY OF CHICAGO,
as Issuer

By

Its

Ronald D. Piant
Comptroller

JEFFERY PARTNERS, an Illinois limited partnership

[SEAL]

ATTEST:

By

Its

Mary J. Fink
Assistant Secretary

By: City Lands Corp.,
a Delaware corporation
General Partner

By:

Its

Lisa J. Lindholm
Pres.

[SEAL]

ATTEST:

By

Its

[Signature]
TRUST OFFICER

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO
as Trustee

By

Its

[Signature]
Vice President

[SEAL]

ATTEST:

By

Its

[Signature]
ASSISTANT SECRETARY

LASALLE NATIONAL BANK, not individually
but solely as trustee under Trust No.
111691, as Mortgagor

By

Its

[Signature]
VICE PRESIDENT

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City

STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

BEFORE ME, the undersigned authority, on this day personally appeared Ronald D. Picur and Walter S. Kozubowski, City Comptroller and City Clerk, respectively, of the City of Chicago, a municipal corporation and home rule unit of local government, known to me to be the persons whose names are subscribed to the foregoing instrument, and known to me to be the City Comptroller and City Clerk, respectively, of said municipal corporation and acknowledged to me that they executed the same for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said municipal corporation.

GIVEN UNDER MY HAND and seal of office, this the 22nd day of April, 1987.

Marsha L. Wilson

Notary Public in and for the State of
Illinois

[SEAL]

My commission expires on:

December 1, 1987

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Owner

STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

BEFORE ME, the undersigned authority, on this day personally appeared Sara J. Lindholm and Gregory Ptucha, the President and Assistant Secretary of City Lands Corp., a Delaware corporation and the general partner of Jeffery Partners, an Illinois limited partnership, known to me to be the persons whose names are subscribed to the foregoing instrument, and known to me to be the President and Assistant Secretary, respectively, of said corporation, and acknowledged to me that they executed the same for the purposes and consideration therein expressed and in the capacity therein stated, as their own act and deed and/or the act and deed of said corporation, as general partner as aforesaid.

GIVEN UNDER MY HAND and seal of office, this the 22nd day of April, 1987.

Marsha L. Wilson

Notary Public in and for the State of
Illinois

[SEAL]

My commission expires on:

December 1, 1987

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LNB

STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

BEFORE ME, the undersigned authority, on this day personally appeared JOSEPH W. LANG and Clifford Scott-Budnik, the VICE PRESIDENT and ASSISTANT SECRETARY, respectively, of LaSalle National Bank, a national banking association, known to me to be the persons whose names are subscribed to the foregoing instrument, and known to me to be the VICE PRESIDENT and ASSISTANT SECRETARY of said Bank, and acknowledged to me that they executed the same for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said Bank.

April GIVEN UNDER MY HAND and seal of office, this the 22nd day of April, 1987.

Kathy Picana
Notary Public in and for the State of Illinois

[SEAL]

My commission expires on:

6-11-88

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ANB

STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

BEFORE ME, the undersigned authority, on this day personally appeared Ronald Bremen and Bruce Lewis, the Vice President and Trust Officer, respectively, of American National Bank and Trust Company of Chicago, a national banking association, known to me to be the persons whose names are subscribed to the foregoing instrument, and known to me to be the Vice President and Trust Officer of said Bank, and acknowledged to me that they executed the same for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said Bank.

GIVEN UNDER MY HAND and seal of office, this the 22nd day of April, 1987.

Marsha L. Wilson
Notary Public in and for the State of
Illinois

[SEAL]

My commission expires on:

December 1, 1987

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JUN 18 PM 3:05

HARRY (CSC) YOUNG
REGISTRAR OF TITLES

DELIVER TO

MEHALOS

Little Venice, Ave
531 E. Roosevelt Rd.
Arlington, IL 60134
Box 430

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EXHIBIT A 3 3 4 5 6 7

LEGAL DESCRIPTION

PARCEL I:

The South 65 feet of the North 197 feet of Lot 11 in Block 2 in Stave and Klemm's Subdivision of the Northeast 1/4 of Section 25, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as 7147 South Jeffery, Chicago, Illinois

Permanent Index No. 20-25-200-011

AAO NS

PARCEL II:

The North 25 feet of Lot 9 and all of Lot 10 in Frank's Subdivision of Block 1 of the Subdivision (acknowledged by George W. Clark) of the East 1/2 of the Northwest 1/4 of Section 25, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as 7124-34 South Jeffery, Chicago, Illinois

Permanent Index No. 20-25-111-001

DVO NS

PARCEL III:

Lot 1 in Frank's Subdivision of Lot 1 of the Subdivision Acknowledged by George W. Clark of the East half of the Northwest quarter of Section 25, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as 1962 East 71st Street, Chicago, Illinois

Permanent Index No. 20-25-109-013

DVO NS

PARCEL IV:

Lot 8 in Frank's Subdivision of Lot 1 in Subdivision by George W. Clark of the East half of the Northwest Quarter of Section 25, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Located at Northwest Corner of East 72nd Street and South Jeffery Boulevard, Chicago, Illinois.

Permanent Index No. 20-25-111-003

DVO NS

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EXHIBIT B

LOW OR MODERATE INCOME COMPUTATION AND CERTIFICATION*

NOTE TO APARTMENT OWNER: This form is designed to assist you in computing Annual Income in accordance with the method set forth in the Department of Housing and Urban Development ("HUD") Regulations (24 CFR 813). You should make certain that this form is at all times up to date with the HUD Regulations. All capitalized terms used herein shall have the meanings set forth in the Land Use Restriction Agreement.

Re: _____

Chicago, Illinois

I/We, the undersigned, being first duly sworn, state that I/we have read and answered fully and truthfully each of the following questions for all persons who are to occupy the unit being applied in the above apartment project. Listed below are the names of all persons who intend to reside in the unit:

1. Name of Members of the Household	2. Relationship to Head of Household	3. Age	4. Social Security Number	5. Place of Employment
_____	HEAD	_____	_____	_____
_____	SPOUSE	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Income Computation

6. The total anticipated income, calculated in accordance with this paragraph 6, of all persons (excluding income from employment of children under the age of 18 years) listed above for the 12-month period beginning the date that I/we plan to move into a unit (i.e., _____, 19__) is \$_____.

[Month] [Day] [Year]

Included in the total anticipated income listed above are:

(a) the full amount, before payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services;

*The form of Low or Moderate Income Computation and Certification shall be conformed to any amendments made to 24 CFR Part 813, or any regulatory provisions promulgated in substitution therefor.

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(b) the net income from the operation of a business or profession or net income of any kind from real or personal property (without deducting expenditures for business expansion or amortization of capital indebtedness or allowance for depreciation of capital assets);

(c) interest and dividends (see 7(d) below);

(d) the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including any lump sum payment for the delayed start of a periodic payment;

(e) payments in lieu of earnings, such as unemployment and disability compensation, workmen's compensation and severance pay;

(f) the amount of any public welfare assistance payment to the above persons; if the welfare assistance payment includes any amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(i) the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus

(ii) the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph 6(f) shall be the amount resulting from one application of the percentage;

(g) periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from persons not residing in the dwelling;

(h) all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the household, spouse or other person whose dependents are residing in the unit; and

(i) any earned income tax credit to the extent that it exceeds income tax liability.

Excluded from such anticipated total income are:

(a) casual, sporadic or irregular gifts;

(b) amounts which are specifically for or in reimbursement of medical expenses;

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(c) lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlement for personal or property losses;

(d) amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the government to a veteran, for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships or payments to veterans not used for the above purposes that are available for subsistence are to be included in income;

(e) hazardous duty pay to a family member who is away from home and exposed to hostile fire;

(f) relocation payments under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(g) foster child care payments;

(h) the value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1977;

(i) payments to volunteers under the Domestic Volunteer Service Act of 1973;

(j) payments received under the Alaska Native Claims Settlement Act;

(k) income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;

(l) payments or allowances made under the Department of Health and Human Services Low-Income Home Energy Assistance Program;

(m) payments received from the Job Training Partnership Act;

(n) income derived from the disposition of funds of the Grand River Bank of Ottawa Indians; and

(o) the first \$2,000.00 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims or from funds held in trust for an Indian tribe by the Secretary of the Interior.

7. Do the persons whose income or contributions are included in Item 6 above:

(a) have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles and interests in Indian trust land) _____ Yes _____ No.

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(b) have they disposed of any assets (other than at a foreclosure or bankruptcy sale) during the last two years at less than fair market value? _____ Yes _____ No.

(c) if the answer to (a) or (b) above is yes, does the combined total value of all such assets owned or disposed of by all such persons total more than \$5,000? _____ Yes _____ No.

(d) if the answer to (c) above is yes, state:

(1) the total value of all such assets owned by all such persons: \$ _____,

(2) the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy in the unit that you propose to rent: \$ _____, and

(3) the amount of such income, if any, that was included in Item 6 above: \$ _____.

8. (a) Are all of the individuals who propose to reside in the unit full-time students? _____ Yes _____ No.

A full-time student is an individual enrolled as a full-time student (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended) during each of 5 calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance or an individual pursuing a full-time course of institutional or farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

(b) If the answer to 8(a) is yes, are at least 2 of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return? Yes _____ No _____.

9. Neither myself nor any other occupant of the unit I/we propose to rent is the owner of the rental housing project in which the unit is located (hereinafter the "Owner"), has any family relationship to the Owner; or owns directly or indirectly any interest in the Owner. For purposes of this paragraph, indirect ownership by an individual shall mean ownership by a family member, ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trust held by the individual or a family member; and ownership, direct or indirect, by a partner of the individual.

10. This certificate is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility to occupy the unit and is relevant to the status under Federal income tax law of the interest on bonds issued to provide construction and permanent financing for the apartment development for which application is being made. I/We consent

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to the disclosure of such information to the issuer of such bonds, the holders of such bonds, any trustee acting on their behalf and any authorized agent of the Treasury Department or the Internal Revenue Service. I/We declare that all information set forth herein is true, correct and complete and based upon information I/we deem reliable and that the statement of total anticipated income contained in paragraph 6 is reasonable and based upon such investigation as the undersigned deemed necessary.

11. I/We will assist the Owner in obtaining any information or documents required to verify the statements made herein, including either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding calendar year.

12. I/We acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with the Owner to lease the unit and will entitle the Owner to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

I/We declare under penalty of perjury that the foregoing is true and correct.

Executed this _____ day of _____ in the City of Chicago, Illinois.

Applicant

Applicant

[Signature of all persons over the age of 18 years listed
in number 2 above required.]

SUBSCRIBED AND SWORN to before me this _____ day of _____

(NOTARY SEAL)

Notary Public in and for the State of _____

My Commission Expires: _____

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FOR COMPLETION BY APARTMENT OWNER ONLY:

1. Calculation of eligible income:

a. Enter amount entered for entire household in 6 above: \$ _____

b. (1) If the amount entered in 7(d)(1) above is greater than \$5,000, enter the total amount entered in 7(d)(2), subtract from that figure the amount entered in 7(d)(3) and enter the remaining balance (\$ _____);

(2) Multiply the amount entered in 7(d)(1) times the current passbook savings rate as determined by HUD to determine what the total annual earnings on the amount in 7(d)(2) would be if invested in passbook savings (\$ _____), subtract from that figure the amount entered in 7(d)(3) and enter the remaining balance (\$ _____);

(3) Enter at right the greater of the amount calculated under (1) or (2) above: \$ _____

c. TOTAL ELIGIBLE INCOME (Line 1.a plus line 1.b(3)): \$ _____

2. The amount entered in 1.c is:

_____ Less than 50% of Median Gross Income for the Area.*

_____ More than 50% of Median Gross Income for the Area.*

3. Number of apartment unit assigned: _____
Bedroom Size: _____ Rent: \$ _____

4. This apartment unit [was/was not] last occupied for a period of 31 consecutive days by persons whose aggregate anticipated annual income as certified in the above manner upon their initial occupancy of the apartment unit was less than 50% of Median Gross Income in the Area.

*"Median Gross Income for the Area" means the median income for the area where the Project is located as determined by the Secretary of Housing and Urban Development under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under Section 8(f) are terminated, median income determined under the method used by the Secretary prior to the termination.

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5. Method used to verify applicant(s) income:

____ Employer income verification.

____ Copies of tax returns.

____ Other (_____)

Owner or Manager

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INCOME VERIFICATION (for employed persons)

The undersigned employee has applied for a rental unit located in a project financed under the City of Chicago multifamily housing program for persons of low and moderate income. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

Annual wages _____
Overtime _____
Bonuses _____
Commissions _____
Total current income _____

I hereby certify that the statements above are true and complete to the best of my knowledge.

Signature Date Title

I hereby grant you permission to disclose my income to _____
in order that they may determine my income eligibility for rental of an apartment located in their project which has been financed under the City of Chicago multifamily housing program.

Signature Date

Please send to:

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INCOME VERIFICATION
(for self-employed persons)

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding calendar year and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

Signature

Date

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EXHIBIT C

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

The undersigned, being the general partner of Jeffery Partners, an Illinois limited partnership (the "Owner"), has read and is thoroughly familiar with the requirements of that certain Land Use Restriction Agreement, dated as of April 1, 1987, by and among the Owner, LaSalle National Bank, as Mortgagor, American National Bank and Trust Company of Chicago, as Trustee, and the City of Chicago, as Issuer.

Based on the Income Certifications on file with the Owner, as of the date of this certificate, the following number of completed residential units in the Project (i) are occupied by Qualifying Tenants (as such term is defined in the Land Use Restriction Agreement), or (ii) were previously occupied by Qualified Tenants and have been vacant and not reoccupied except for a temporary period of no more than 31 days, as indicated:

Occupied by Qualifying Tenants: _____ No. of Units

Previously occupied by Qualifying Tenants
(vacant and not reoccupied except for a
temporary period of no more than 31 days) _____ No. of Units

The total number of completed residential units in the Project is
_____.

The undersigned hereby certifies that the Owner is not in default under any of the terms and provisions of the above documents.

JEFFERY PARTNERS, an Illinois
limited partnership

By: City Lands Corp.,
General Partner

By _____
Its _____

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EXHIBIT D

RATABLE RENT-UP SCHEDULE

Total Units Occupied

Qualifying Units

1-5
6-10
11-15
16-20
21-25
26-30
31-35
36-40
41-45
46-50
51-55
56-60
61-65
66-70
71-75
76-80
81-85
86-90
91-95
96-100
101-105
106-110
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COOK COUNTY RECORDER \$290.00

FROM 4015.45/18/87 12/31/90

87-334539

COOK COUNTY RECORDER

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