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This document prepared by:
Monica M. Monroe
Office of Corporation Counsel
Room 511
121 North LaSalle Street
Chicago, Illinois 60602

DECLARATION OF RESTRICTIVE COVENANTS
AND REGULATORY AGREEMENT

THIS DECLARATION OF RESTRICTIVE COVENANTS AND REGULATORY AGREEMENT (including the Exhibits attached hereto), dated as of November 1, 1991 (this "Regulatory Agreement"), by and between the CITY OF CHICAGO, ILLINOIS (the "City"), an Illinois municipal corporation, through its Department of Housing ("DOH"), with offices at 318 South Michigan Avenue, Chicago, Illinois 60604, AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO (the "Trustee") not personally but solely as Trustee under a Trust Agreement dated March 13, 1989 and known as Trust No. 107852-02 and JACKSON TERRACE LIMITED PARTNERSHIP, an Illinois limited Partnership (the "Owner"), having its offices at c/o City Lands Corp., 7134 South Jeffery Boulevard, Chicago, Illinois 60649. Trustee and Owner collectively are referred to as the "Borrower."

DEPT. OF RECORDINGS \$37.00
T41111 TRAN 0013 11/26/91 15:10:00
#9387 A *-91-622517
COOK COUNTY RECORDER

W I T N E S S E T H

WHEREAS, DOH has as its primary purpose the creation of safe, decent and affordable housing for residents of the City; and

WHEREAS, the Borrower has proposed to rehabilitate multi-family rental units at 4900-4910 West Jackson Boulevard, Chicago, Illinois 60644, as legally described in Exhibit A attached hereto (the "Project"), where upon completion of rehabilitation, there shall be 29 multi-family residential dwelling units, wherein 29 units shall be occupied by individuals or families qualifying as Lower-Income Tenants (as hereinafter defined); and

WHEREAS, the City intends to loan \$407,877 to the Borrower (the "Loan") to assist in the financing of the Project; and

WHEREAS, as a specific condition precedent to the Borrower's receiving the Loan, the Borrower has agreed to execute this Regulatory Agreement with the City governing the tenant occupancy of, and use restrictions upon, the dwelling units reserved for Lower-Income Tenants;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable

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Box 430 37²

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consideration, the Borrower and the City each agree as follows;

SECTION 1. DEFINITIONS AND INTERPRETATIONS.

The following terms shall have the respective meaning assigned to them in this Section 1 unless the context in which they are used clearly requires otherwise:

"Act" shall mean the Housing and Community Development Act of 1974, 42 U.S.C. §5301 et seq., as amended.

"Affordable Rent" shall mean the rent amounts determined by the City for rental housing pursuant to 24 C.F.R. §570.208(a)(3), as may be adjusted for unit size.

"Borrower" shall mean, initially, Jackson Terrace Limited Partnership, an Illinois limited partnership and the Trustee, and at any subsequent time of reference, the person or persons, if any, who shall succeed to the legal or beneficial ownership of all or any part of the Project.

"CDBG Funds" shall mean Community Development Block Grant funds awarded by HUD under the Act.

"Certificate of Continuing Program Compliance" shall mean the certificate from the Borrower in substantially the form set forth in Exhibit B hereto and made a part hereof, as the same may be amended from time to time.

"HUD" shall mean the U.S. Department of Housing and Urban Development.

"Income Computation Certificate" shall mean the certificate in substantially the form set forth in Exhibit C hereto and made a part hereof.

"Income Limit" shall mean 80% of the Chicago area median income, adjusted for family size, as such adjusted income and area median income are determined from time to time by HUD, and thereafter such income limits shall apply to this definition.

"Junior Lender" shall mean the Illinois Housing Development Authority, its successors and assigns.

"Junior Loan" shall mean a loan by the Junior Lender to the Borrower in the principal amount of \$457,771 for financing a portion of the cost of the Project.

"Junior Mortgage" shall mean that certain Junior Mortgage dated of even date herewith from the Trustee to the Junior Lender, as amended and supplemented.

"Junior Note" shall mean that certain Mortgage Note dated of even date herewith from the Trustee to the Junior Lender, as

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amended and supplemented.

"Junior Regulatory Agreement" shall mean that certain Regulatory and Land Use Restriction Agreement dated of even date herewith between the Borrower and the Junior Lender.

"Loan Agreement" shall mean the Housing Loan Agreement, dated of even date herewith, between the City and the Borrower with respect to the Loan, as amended and supplemented.

"Lower-Income Tenants" shall mean and include individuals, groups of unrelated persons or families whose adjusted annual income does not exceed the Income Limit.

"Mortgage" shall mean that certain Junior Mortgage and Security Agreement dated of even date herewith from the Borrower to the City.

"Person" shall mean natural persons, firms, partnerships, associations, corporations, trusts and public bodies.

"Project Term" shall mean the number of years during which the 29 units specified as to be occupied by Lower-Income Tenants must be occupied by or available for occupancy to Lower-Income Tenants. The Project Term shall begin on the date hereof and shall continue for a period of 30 years, except as provided in Section 5.2 hereof.

"Regulatory Agreement" shall mean this Declaration of Restrictive Covenants and Regulatory Agreement, as supplemented and amended.

"Senior Lender" shall mean Community Investment Corporation, its successors and assigns.

"Senior Loan" shall mean a loan by the Senior Lender to the Borrower in the principal amount of \$442,500 for financing a portion of the cost of the Project.

"Senior Mortgage" shall mean that certain Construction Loan Mortgage and Security Agreement with Collateral Assignment of Leases and Rents from the Borrower to the Senior Lender securing repayment of the Senior Loan, as supplemented and amended.

"Senior Note" shall mean that certain Adjustable Rate Construction Loan Note dated of even date herewith from the Trustee to the Senior Lender, as amended and supplemented.

"State" shall mean the State of Illinois.

SECTION 2. BORROWER'S REPRESENTATIONS, WARRANTIES AND COVENANTS.

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The Borrower hereby represents, warrants, covenants and agrees as follows:

2.1 The Project shall be acquired, constructed and rehabilitated for the purpose of providing residential rental property, and the Borrower shall own, manage and operate the Project as residential rental units and facilities functionally related and incidental thereto.

2.2 The Project shall consist of residential units, together with facilities functionally related and incidental thereto, and which units are similar in quality and type of construction and amenities.

2.3 Each residential unit in the Project shall contain separate and complete facilities for living, sleeping, eating, cooking and sanitation.

2.4 None of the residential units in the Project shall at any time be used on a transient basis, and neither the Project nor any portion thereof shall ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer park or court.

2.5 The residential units in the Project shall be made available for lease by members of the general public and the Borrower shall not give preference in renting residential units in the Project to any particular class or group of persons other than Lower-Income Tenants as provided herein.

2.6 The project shall consist of the following units configured as follows:

<u>Number of Bedrooms</u>	<u>Number of Rental Units</u>
1	8
2	21

2.7. The Borrower shall not convert any units in the Project to condominium ownership or to a form of cooperative ownership that is not eligible to receive CDBG Funds from HUD.

2.8 The Borrower shall not discriminate against prospective tenants on the basis of their receipt of, or eligibility for, housing assistance under any federal, State or local housing assistance program or on the basis that they have a minor child or children who will be residing with them.

2.9 All of the units described in Section 2.6 above shall be occupied or available for occupancy by Lower-Income Tenants, subject to Section 2.12 hereof.

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2.10. All of the residential units in the Project shall be leased only to tenants who are Lower-Income Tenants at the time of initial occupancy by such Lower-Income Tenants.

2.11. The rent charged each month for any residential unit located in the Project shall not exceed at any time the Affordable Rent for such unit.

2.12. (a) For purposes of satisfying the requirements set forth in Section 2.9 above, a unit occupied by Lower-Income Tenants whose income has exceeded the applicable Income Limit after initial occupancy of such unit by such Lower-Income Tenant shall, subject to paragraph (b) of this Section, be deemed to comply with Section 2.9 hereof if the rent for such unit complies with Section 2.11 hereof.

(b) A unit (the "Unit") occupied by a Lower-Income Tenant whose income has increased above 140% of the Income Limit shall be deemed to comply with Section 2.9 hereof if the rent for the Unit complies with Section 2.11 hereof but only if the next available unit in the Project of a comparable size with or smaller than the Unit is occupied by a new tenant who is a Lower-Income Tenant.

2.13. The Borrower shall include in leases for all units provisions which authorize the Borrower to immediately terminate the tenancy of any tenant who misrepresented any fact material to the tenant's qualification as a Lower-Income Tenant.

2.14. All tenant lists, applications, and waiting lists relating to the Project shall at all times be kept separate and identifiable from any other business of the Borrower which is unrelated to the Project, shall be maintained, as required by the City, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the City. If the Borrower employs a management agent for the Project, the Borrower shall require such agent to comply with the requirements of this Regulatory Agreement and shall include such requirements in any and all management agreements or contracts entered into with respect to the Project.

2.15. All tenant leases shall be written, shall be for a period of not less than six months and shall contain clauses, inter alia, wherein each individual lessee: (i) certifies the accuracy of the statements made in the Income Computation Certificate and (ii) agrees that the family income and other eligibility requirements shall be deemed substantial and material obligations of his/her tenancy, that he/she will comply with all requests for information with respect thereto from the Borrower, the City or HUD, and that the failure to provide accurate information in the Income Computation Certificate or refusal to comply with a request for information with respect thereto shall be deemed a substantial violation of an obligation of his/her tenancy.

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2.16. The Borrower shall obtain and maintain on file during the Project Term a sworn and notarized Income Computation Certificate with respect to each and every individual, group of unrelated persons or family who is intended to be a Lower-Income Tenant, signed by the tenant or tenants (i.e., the person or persons whose name or names appears on the lease) and obtained by the Borrower prior to such tenant or tenants occupying the unit or signing a lease with respect thereto.

2.17. The Borrower shall prepare and submit to the City at the beginning of the Project Term and, on or before the first day of January of each year during the Project Term, a Certificate of Continuing Program Compliance executed by the Borrower.

2.18. The Borrower shall notify the City of the occurrence of any event of which the Borrower has notice and which event would violate any of the provisions of this Regulatory Agreement.

2.19. The Borrower shall cause the Project to comply at all times with the Chicago Fair Housing Ordinance, Section 5-8-010 et seq. of the Municipal Code of the City, as supplemented and amended.

2.20. The Borrower has not executed and shall not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and in any event, the requirements of this Regulatory Agreement are paramount and controlling as to the rights and obligations herein set forth and supersede any other requirements in conflict herewith.

SECTION 3. REPRESENTATIONS.

The City and the Borrower hereby recognize and agree that the representations and covenants set forth herein may be relied upon by all parties. In performing its duties and obligations hereunder, the City may rely upon statements and certificates of the Borrower and Lower-Income Tenants and upon audits of the books and records of the Borrower pertaining to occupancy of the Project. In addition, the City may consult with counsel and the opinion of such counsel shall be evidence that such action or failure to act by the City was in good faith and in conformity with such opinion.

SECTION 4. SALE OR TRANSFER OF THE PROJECT.

The Borrower hereby covenants and agrees not to sell, transfer or otherwise dispose of the Project, or any portion thereof (including without limitation, a transfer by assignment of any beneficial interest under a land trust), at any time during the Project Term, except as expressly permitted by the City. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section 4 shall be null, void and without effect, shall cause a reversion of title to the Borrower or any successor or

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assignee of the Borrower last permitted by the City, and shall be ineffective to relieve the Borrower or such successor or assignee, as applicable, of its obligations hereunder.

SECTION 5. TERM.

5.1 This Regulatory Agreement shall become effective upon its execution and delivery. This Regulatory Agreement shall remain in full force and effect for a term equal to the Project Term, it being expressly agreed and understood that the provisions hereof are intended to survive throughout the Project Term.

5.2 The covenants and restrictions contained herein shall cease, upon the occurrence of any of the following events:

(1) foreclosure of the Senior Mortgage, the Mortgage, the Junior Mortgage or any other mortgage of record on the Project or the transfer of the Project by an instrument in lieu of foreclosure; or

(2) the date of repayment in full of the Loan.

SECTION 6. ENFORCEMENT

6.1 If a violation of any of the foregoing representations or covenants occurs or is attempted, and such occurrence or attempt is not corrected for a period of 60 days or more, the City and its successors and assigns, without regard to whether the City or its successors and assigns is an owner of any land or interest therein to which these covenants relate, may institute and prosecute any proceeding at law or in equity to abate, prevent or enjoin any such violation or attempted violation or to compel specific performance by the Borrower of its obligations hereunder. No delay in enforcing the provisions hereof as to any breach or violation shall impair, damage or waive the right of any party entitled to enforce the provisions hereof or to obtain relief against or recovery for the continuation or repetition of such breach or violations or any similar breach or violation hereof at any later time.

6.2 All fees, costs and expenses of the City incurred in taking any action pursuant to this Section 6 shall be the sole responsibility of the Borrower.

6.3. To the extent permitted by law, all persons who are or may qualify as Lower-Income Tenants with respect to the Project (whether as prospective, present or former tenants of the Project) shall have the right to enforce in any court of the State the requirement of Section 2.9 hereof.

6.4 The Borrower further specifically acknowledges that the beneficiaries of the Borrower's obligations hereunder cannot be adequately compensated by monetary damages in the event of any

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breach or violation or attempted breach or violation of any of the foregoing representations or covenants.

SECTION 7. RECORDING AND FILING.

The Borrower shall cause this Regulatory Agreement and all amendments and supplements hereto to be recorded and filed in the conveyance and real property records of the county in which the Project is located and in such other places as the City may reasonably request. The Borrower shall pay all fees and charges incurred in connection with any such recording.

SECTION 8. COVENANTS TO RUN WITH THE LAND.

The Borrower hereby subjects the Project to the covenants, reservations and restrictions set forth in this Regulatory Agreement. The City and the Borrower hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall, throughout the Project Term, 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 Borrower's successors in title to the Project throughout the Project Term. The Borrower hereby covenants to include the requirements and restrictions contained in this Regulatory Agreement in any documents transferring any interest in the Project to another person in order that such transferee has notice of, and is bound by, such restrictions, and to obtain from any transferee the agreement to be bound by and comply with the requirements set forth in this Regulatory Agreement; provided however, that each and every contract, deed, mortgage or other instrument hereafter executed covering or conveying the Project or any portion thereof or interest therein (including, without limitation, any transfer of a beneficial interest in a land trust or a portion thereof) shall conclusively be held to have been 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 or other instrument. In the event that such covenants and restrictions terminate pursuant to provisions of Section 5.2, the City upon such termination and upon written notice from the Borrower, the Senior Lender or the Junior Lender, shall promptly record a release of this Regulatory Agreement, at the expense of the party requesting such release.

SECTION 9. GOVERNING LAW.

This Regulatory 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 10. AMENDMENTS.

This Regulatory Agreement shall be amended only by a written instrument executed by the parties hereto or their successors in

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title, and duly recorded in the real property records of the county in which the Project is located.

SECTION 11. NOTICE.

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier, receipt requested; or (d) registered or certified mail, return receipt requested.

CITY: City of Chicago, Illinois
c/o Department of Housing
318 South Michigan Avenue
Chicago, Illinois 60604
Attention: Commissioner

WITH COPIES TO: Department of Finance
City of Chicago
121 North LaSalle Street, Room 501
Chicago, Illinois 60602
Attention: Comptroller

and

Office of the Corporation Counsel
City Hall, Room 511
Chicago, Illinois 60602
Attention: Finance and Economic
Development Division

BORROWER: Jackson Terrace Limited Partnership
c/o City Lands Corp.
7134 South Jeffery Boulevard
Chicago, Illinois 60649
Attention: Linda Bracc

WITH COPIES TO: Jay Gilbert, Esq.
479 North Main Street
Suite 200
Glen Ellyn, Illinois 60137

Chicago Equity Fund 1990
Partnership
c/o Chicago Equity Fund
24 West Erie
Chicago, Illinois 60610
Attention: Nicholas Shapiro

IF TO SENIOR LENDER: Community Investment Corporation
600 South Federal
Chicago, Illinois 60605
Attention: James B. Packard

IF TO JUNIOR LENDER: Illinois Housing Development
Authority
401 North Michigan Avenue
Suite 900
Chicago, Illinois 60611
Attention: Legal Department

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means with confirmation of receipt. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier, and any notices, demands or requests sent pursuant to clause (d) shall be deemed received 72 hours following deposit in the mail.

SECTION 12. SEVERABILITY.

If any provision of this Regulatory Agreement 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.

SECTION 13. FAILURE TO MAKE LOAN.

In the event that the City does not make the Loan to the Borrower, as contemplated hereby, the covenants and restrictions contained herein shall cease forthwith, and this Regulatory Agreement shall be deemed null and void ab initio.

SECTION 14. COUNTERPARTS

This Regulatory Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which, taken together, shall constitute one and the same Regulatory Agreement.

SECTION 15. LAND TRUSTEE EXCULPATION

This Regulatory Agreement is executed by the Trustee, not personally but solely as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee, and said Trustee hereby warrants that it possesses full power and authority to execute this instrument and it is expressly understood and agreed that nothing herein shall be construed as creating any liability on the Trustee personally to perform any covenant either express or implied herein. No personal liability shall be asserted or be enforceable against the Trustee by reason of any of the covenants, statements, representations or warranties contained in this instrument.

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IN WITNESS WHEREOF, the City and the Borrower have executed this Regulatory Agreement by their duly authorized representatives, all as of the date first written hereinabove.

CITY OF CHICAGO, ILLINOIS, by
and through its Department of
Housing

By: [Signature]
Acting Commissioner

AMERICAN NATIONAL BANK AND
TRUST COMPANY OF CHICAGO, not
personally but solely as
Trustee as aforesaid

ATTEST:

By: [Signature]
Its: ASSISTANT SECRETARY

By: [Signature]
Its: SECOND VICE PRESIDENT

JACKSON TERRACE LIMITED
PARTNERSHIP, an Illinois
limited partnership

By: City Lands Corp., a
Delaware corporation and
managing general partner
of the Owner

ATTEST:

By: [Signature]
Its: [Signature]

By: [Signature]
Its: Development officer & Asst. Secretary

MMM/JACKSON/JTERRREG.AGR

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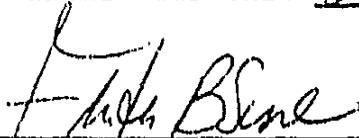
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT Hugh P. Murphy, personally known to me to be the Acting Commissioner of the Department of Housing of the City of Chicago, Illinois (the "City") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such he signed and delivered the said instrument pursuant to authority, as his free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

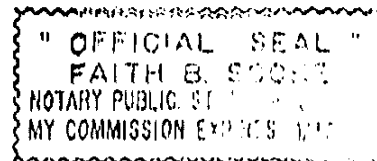
GIVEN under my hand and notarial seal this 25 day of November, 1991.



Notary Public

My Commission Expires: (SEAL)

January 30, 1994



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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that To For M. Kolanowski, personally known to me to be the President of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association and Secretary, personally known to me to be the Secretary of American National Bank and Trust Company of Chicago, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary respectively, they signed and delivered the said instrument and caused the corporate seal of American National Bank and Trust Company of Chicago to be affixed thereto, as their free and voluntary act, and as the free and voluntary act and deed of said corporation as Trustee, for the uses and purposes therein set forth.

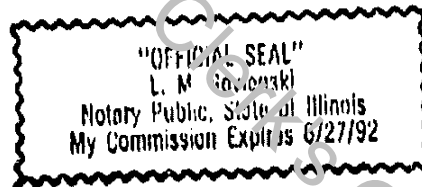
NOV 22 1991

GIVEN under my hand and official seal this _____ day of _____, 1991.

L. M. Sawinski
Notary Public

(SEAL)

My Commission Expires:



Office

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EXHIBIT A

LEGAL DESCRIPTION:

THE WEST 20 FEET OF LOT 23, ALL OF LOTS 24, 25, 26 AND 27 (EXCEPT THE WEST 10 FEET THEREOF) IN S.E. GROSS SUBDIVISION OF LOTS 8, 9, 24 AND 25 IN SCHOOL TRUSTEE'S SUBDIVISION OF THE NORTH PART OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

ADDRESS COMMONLY KNOWN AS:

4900-10 West Jackson Boulevard
Chicago, Illinois 60644

PERMANENT INDEX NO.:

16-16-211-031

Property of Cook County Clerk's Office

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EXHIBIT B

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

The undersigned, being _____ of _____ (the "Borrower"), has read and is thoroughly familiar with the provisions of the various loan documents associated with the loan by the City of Chicago, Illinois (the "City") to the Borrower in connection with the property located at 4900-4910 West Jackson Boulevard, Chicago, Illinois 60644 (the "Project"), such documents including:

1. The Declaration of Restrictive Covenants and Regulatory Agreement (the "Regulatory Agreement") dated as of _____, 1991, between the Borrower and the City;
2. The Housing Loan Agreement dated as of _____, 1991 between the Borrower and the City; and
3. The Note dated _____, 1991, executed by the Borrower representing the Borrower's obligation to repay the loan made to it by the City pursuant to the Housing Loan Agreement described above.

As of the date of this certificate, the following number of completed residential units in the Project (i) are occupied by "Lower-Income Tenants" (as such term is defined in the Regulatory Agreement) or (ii) were previously occupied by Lower-Income Tenants and have been vacant for no more than 31 days, as indicated:

Occupied by Lower-Income Tenants	_____	No. of Units
Previously occupied by Lower-Income Tenants (vacated and not re-occupied except for a temporary period of no more than 31 days)	_____	No. of Units
	_____	Total

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

The total number of units occupied or previously occupied by Lower-Income Tenants as shown above is _____% of the total number of occupied units.

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

By: _____
Authorized Borrower
Representative

Dated: _____

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EXHIBIT C

INCOME COMPUTATION CERTIFICATE

RE: 4900-4910 West Jackson Boulevard
Chicago, Illinois 60644

Name of Tenant (i.e., person(s)
whose name appears on the lease): _____

Address of Apartment: _____

Apartment Number: _____

Some or all of the cost of the apartment development in which you are to lease an apartment was financed by a loan made by the City of Chicago through a U.S. Department of Housing and Urban Development program. In order to qualify for these loans, there are certain requirements which must be met with respect to the apartment building and its tenants. To satisfy one of those requirements it is necessary for you to provide the information requested in this Tenant Income Computation Certificate at the time you sign your lease.

CERTIFICATION

I, the undersigned, state that I have read and answered fully, frankly and personally each of the following questions for all persons who are to occupy the unit in the above apartment development for which application is made, all of whom are listed on the following page:

Cook County Clerk's Office

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Income Computation (Anticipated Incomes)

<u>Name of Members of the Household</u>	<u>Relation-ship to Head of Household</u>	<u>Age (if 18 or under)</u>	<u>Social Security Number</u>	<u>Place of Employment</u>
_____	HEAD	_____	_____	_____
_____	SPOUSE	_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____

1. On the lines below, indicate the anticipated income from all sources received by the family head and spouse (even if temporarily absent) and by each additional member of the family over the age of 18 during the 12-month period beginning this date, including:
 - A. Annual Wages and Salary, including, before payroll deduction, all wages and salaries, overtime pay, commissions, fees, tips, bonuses and other compensation for personal services;

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B. Other Income, including but not limited to:

- (i) net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family,
- (ii) interest, dividends, and net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (B)(i) above. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family;
- (iii) 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 a lump-sum payment for the delayed start of a periodic payment;
- (iv) payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay;
- (v) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance to be included as income shall consist of: (a) the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus (b) the maximum amount that the public assistance agency could in fact allow the family for shelter and utilities. If the family's public assistance is ratably reduced from the standard of need by applying

Property of

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a percentage, the amount calculated shall be the amount resulting from one application of the percentage;

- (vi) periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from persons not residing in the dwelling;
- (vii) all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is a member of the family; and
- (viii) any earned income tax credit to the extent it exceeds income tax liability.

Please note however, the following types of income should be excluded:

- (i) income from employment of children (including foster children) under the age of 18 years;
- (ii) casual, sporadic or irregular income, including gifts;
- (iii) amounts which are specifically for or in reimbursement of medical expenses for any family member;
- (iv) lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
- (v) 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, equipment, materials, supplies, transportation and miscellaneous personal expenses of the student, but in either case only to the extent used for such purposes;
- (vi) special pay to a family member serving in the Armed Forces and exposed to hostile fire;
- (vii) foster child care payments;
- (viii) income of a live-in aide;
- (ix) amounts received under training programs funded by HUD;

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- (x) amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency;
- (xi) amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred and which are made solely to allow participation in a specific program; and
- (xii) amounts specifically excluded by other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under the United States Housing Act of 1937. Federal programs under this section include, but are not limited to:
- (a) the value of the allotment made under the Food Stamp Act of 1977;
 - (b) payments received under the Domestic Volunteer Services Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, Senior Companions);
 - (c) payments received under the Alaska Native Claims Settlement Act;
 - (d) payment from certain submarginal U.S. land held in trust for certain Indian tribes;
 - (e) payments, rebates or credits received under the U.S. Department of Health and Human Services' Low-Income Home Energy Assistance Programs, including any winter differentials given to elderly;
 - (f) payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veteran employment programs, state job training programs, career intern programs);
 - (g) relocation payments made pursuant to

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Title II of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970;

- (h) income derived from the disposition of funds of the Grand River Band of Ottawa Indians;
- (i) the first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Grant of Claims or from funds held in trust for an Indian tribe by the Secretary of the Interior;
- (j) amount of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the federal work-study program or under the Bureau of Indian Affairs student assistance programs, that are made available to cover the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of a student at an educational institution;
- (k) payments received from programs funded under Title V of the Older Americans Act of 1965; and
- (l) Agent Orange Settlement Payments to a maximum of \$12,790 per serviceperson or a survivor's benefit of up to \$3,400.

<u>Name</u>	<u>Annual Wages/Salary</u>	<u>Other Income</u>	<u>Total Income</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(Capital Assets)

2. If any of the persons described above (or whose income or contributions were included in item (l)) has any real property, savings, stocks, bonds or other forms of capital investment, excluding interest in Indian Trust land and equity in a housing cooperative unit or in a manufactured

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home in which the family resides and except for necessary items of personal property such as furniture and automobiles, provide:

- a. the total value of all such assets owned by all such persons: \$ _____,
- b. the amount of income expected to be derived from such assets in the 12-month period commencing this date: \$ _____, and
- c. the amount of such income which is included in item (1): \$ _____.

(Students)

3. a. Will all of the persons listed in column 1 above be or have they been full-time students during five calendar months of this calendar year at an educational institution (other than a correspondence school) with regular faculty and students?
Yes _____ No _____
- b. Is any such person (other than nonresident aliens) married and eligible to file a joint federal income tax return?
Yes _____ No _____

I acknowledge that all of the above information is relevant to the status of the funds provided through the U.S. Department of Housing and Urban Development to finance rehabilitation of the apartment for which application is being made. I consent to the disclosure of such information to the City and HUD and any agent acting on their behalf.

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

Executed this _____ day of _____, _____ at Chicago, Illinois.

TENANT
Residing in Apt. No. _____

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On the _____ day of _____, _____ personally
appeared before me _____, the signer of
the above certification, who duly acknowledged to me that he/she
executed the same.

(SEAL)

NOTARY PUBLIC

My Commission Expires:

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FOR COMPLETION BY BORROWER ONLY:

1. Calculation of eligible income:

a. Total amount entered for entire household in item 1 above: _____

b. If the amount entered in 2.a above exceeds \$5,000, enter the greater of (i) the amount entered in 2.a less the amount entered in 2.c and (ii) the passbook savings rate as designated by HUD multiplied by of the amount entered in 2.a: _____

c. TOTAL ELIGIBLE INCOME (line 1.a plus line 1.b): _____

2. The amount entered in 1.c is: (place "x" on appropriate line)

_____ Less than \$ _____ which is the maximum income at which a household of _____ persons may be determined to be a Lower-Income Tenant as that term is defined in the Declaration of Restrictive Covenants and Regulatory Agreement dated as of _____, between the City of Chicago, Illinois and _____ (the "Regulatory Agreement").

_____ More than the above-mentioned amount.

3. Number of apartment unit assigned: _____

4. This apartment unit (was/was not) last occupied for a period of 31 consecutive days by a person or persons whose Total Eligible Income, as certified in the above manner, was equal to or less than the amount at which a person would have qualified as a Lower-Income Tenant under the terms of the Regulatory Agreement. It had been vacant for _____ days.

5. The number of units in the Project which are presently occupied is _____.

6. The number of units occupied by Lower-Income Tenants (i.e., occupants' anticipated income does not exceed \$ _____ based upon Income Computation Certifications on file, as adjusted for family and unit size) is _____. The number of units which were previously occupied by Lower-Income Tenants but have been vacated and have not been re-occupied (other than for a temporary period of no more than 31 days) is _____. The sum of the units described in this paragraph 6 is equal to _____% of the total number of occupied units from paragraph 5 above.

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7. The number of units occupied by persons whose total anticipated income does not exceed \$ _____ (as adjusted for family and unit size) is _____ which is equal to _____ % of the total number of occupied units.

Applicant:

_____ Qualifies as a Lower-Income Tenant.

_____ Does not qualify as a Lower-Income Tenant.

BORROWER

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