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REGULATORY AND LAND USE RESTRICTION AGREEMENT

THIS REGULATORY AND LAND USE RESTRICTION AGREEMENT (the "Agreement"), dated as of the 27th day of December, 1990, by and between COLE TAYLOR BANK, not personally but solely as Trustee under a Trust Agreement dated October 30, 1990 and known as trust no. 90-3016 ("Trustee"), KOSOH HOUSING LIMITED PARTNERSHIP ("Owner") (Trustee and Owner are sometimes collectively referred to as "Borrower") and the ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Authority"), a body politic and corporate established pursuant to the Illinois Development Act, Laws 1967, p. 1931, constituting Illinois Revised Statutes, Chapter 67-1/2, Section 301, et seq., as amended and supplemented (the "Act");

WITNESSETH:

WHEREAS, Trustee is the holder of legal title of certain real property upon which a housing Development (the "Development") is to be rehabilitated located in Chicago, Illinois, which real property is legally described in Exhibit A attached hereto and by this reference made a part hereof (the "Real Estate"); and

WHEREAS, the Authority is the program administrator of the Illinois Affordable Housing Program, as that program is authorized by the Illinois Affordable Housing Act (P.A. 86-925) (the "Trust Fund Act"), and the rules promulgated thereunder (the "Rules"). All capitalized terms used herein and not otherwise defined shall have the meaning established in the Trust Fund Act or, if not so established, in the Rules; and

WHEREAS, Authority has issued a conditional commitment letter (the "Commitment") pursuant to which it has agreed to make a loan to Owner in the sum of FIVE HUNDRED FIFTY EIGHT THOUSAND SIX HUNDRED TWENTY THREE AND NO/100 DOLLARS (\$558,623.00) (the "Mortgage Loan") to be used with such other monies, if any, as provided and for the purposes stated in the Commitment, which Mortgage Loan is to be evidenced by a mortgage note (the "Mortgage Note") and secured by a mortgage (the "Mortgage") on the Development, both of even date herewith; and

WHEREAS, as an inducement to Authority to make the Mortgage Loan, Borrower has agreed to enter into this Agreement in accordance with the terms, conditions and covenants set forth below and consents to be regulated and restricted by the Authority as herein provided and as provided for in the Trust Fund Act, the Rules, the Act and the rules, regulations, policies and procedures of Authority promulgated under the Act

NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. Incorporation. The foregoing recitals are made a part of this Agreement.
2. Act and Regulations. Borrower agrees that at all times its acts regarding the Development shall be in conformance with the Trust Fund Act, the Rules, the Act and the rules, regulations, policies and procedures of Authority promulgated under the Act, all as the same may be amended from time to time.
3. Additional Borrower Covenants. Borrower further covenants and agrees that:
 - (a) The Borrower shall limit occupancy in the Development to those persons and families whose income does not exceed the income limits for Low Income Tenants as defined in Paragraph 9 of this Agreement;

This Instrument Was Prepared
by: Robert Grossinger
and after Recording return to:
Illinois Housing Development Authority
401 N. Michigan Ave., Suite 900
Chicago, IL 60611
Attn: Legal Department

✓ Permanent Index Tax Number:
14-17-220-005-0000
Property Address:
927 W. Wilson Avenue
Chicago, Illinois 60640

CERTAIN OF THE PROVISIONS HEREOF MAY CONTINUE IN EFFECT NOTWITHSTANDING THE PAYMENT IN FULL OF THE MORTGAGE LOAN.

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provided, however, that if the Tenant meets such income requirements at the time of initial occupancy and subsequently fails to continue to meet such requirements, that failure shall not be a breach hereof;

(b) In the advertising, marketing, rental or sale of the Project and the selection of a Tenant for the Development, Borrower agrees to abide by the terms and conditions of the Tenant Selection Plan dated December 12, 1990 executed between the parties to this Agreement, as it may be amended from time to time;

(c) In the management and operation of the Development, Owner agrees to abide by the terms and conditions of the Affirmative Fair Housing Marketing Plan dated December 12, 1990, which Affirmative Fair Housing Marketing Plan is attached hereto as Exhibit B and by this reference made a part hereof. Owner shall be responsible for ensuring the Management agent's compliance with all applicable ordinances, regulations and statutes and the rules, procedures and requirements of the Authority;

(d) On forms approved ~~the~~ ^{the} by Authority, Owner shall obtain from each prospective Tenant prior to such Tenant's occupancy of the Development a certification of income, and at such intervals thereafter as required by Authority, a recertification of income from the tenant. Owner shall submit such certification and recertifications to Authority in the manner prescribed by the Authority;

(e) In the manner prescribed by the Authority, Owner shall obtain written evidence substantiating the information given on such tenant certifications and recertifications of income and shall retain such evidence in its files for three (3) years after the year to which such evidence pertains. At the end of each calendar year Owner shall certify to Authority that, at the time of such certification and during the preceding calendar year, Owner was in compliance with the requirement of this paragraph 3, or, if Owner is not or has not been in compliance with such requirements, Owner shall give notice to the Authority of its failure to comply and the corrective action Owner is taking or has taken;

(f) Owner shall require all tenants to execute a lease in the form approved by the Authority;

(g) Owner shall obtain all governmental approvals required by law for its acquisition, rehabilitation, ownership and operation of the Development;

(h) Owner shall at all times be an eligible recipient as defined in the Trust Fund Act ("Eligible Recipient"), or if legal title to the Development is owned by a trustee under an Illinois land trust, the beneficiary under said land trust shall at all times be an Eligible Recipient;

(i) Owner shall submit to Authority on an annual basis the rent schedule for the Development reflecting the actual rates being charged at the Development;

(j) Owner shall not evict any Tenants from the Development without good cause; and

(k) Owner shall rehabilitate the Development in conformity with applicable Federal, state and local statutes, regulations, ordinances, standards and codes, with industry practices in Illinois, and with applicable rules, contracts, agreements, procedures, guides and other requirements of Authority.

4. Acts Requiring Authority Approval. Borrower shall not without the prior written approval of Authority:

(a) Convey, transfer or encumber any of the Development, or permit the conveyance, transfer or encumbrance, of any part of the Development other than as set forth in the Junior Mortgage;

(b) Convey, assign or transfer any beneficial interest in any trust holding title to the Development, or any right to manage or receive the rents and profits from the Development;

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- (c) Rent ^{residential} any unit in the Development for less than thirty (30) days or more than one (1) year;
- (d) Change the rental charge of the units funded under the Trust Fund
- ALL,
- (e) Lease or sublease any non-residential facility in the Development or amend or modify any such lease or sublease, which, to the best of Borrower's knowledge, would result in a conflict of interest between any of the parties to such contracts and Authority, its board members, officers, employees, agents or members of their respective immediate families;
- (f) ~~Require, as a condition of the occupancy or leasing of any dwelling unit in the Development, any consideration or deposit other than the pre payment of the first month's rent plus a security deposit in an amount not in excess of one (1) month's rent to guarantee the performance of the covenants of the lease. Any funds collected as security deposits shall be kept separate and apart from all other funds of the Development.~~
- (g) Prepay, in part or in whole, the Mortgage Loan.

F. Owner's Duties. In addition to, but not by way of limiting of, the other duties of Owner set forth herein, it shall comply with the following:

(a) **Maintenance.** It shall maintain the Development in a decent, safe and sanitary condition, and in a rentable and tenantable state of repair, and in compliance with applicable Federal, State and local statutes, regulations, ordinances, standards and codes.

(b) **Management.** It shall provide for the management of the Development in a manner satisfactory to Authority.

(c) **Audit.** The Development and the equipment, buildings, plans, specifications, offices, apparatus, devices, books, contracts, records, documents and other papers relating thereto and the books and records relating to Borrower shall at all times be maintained in reasonable condition for proper audit, and shall be subject to examination, inspection and copying by Authority or its agent or representative at any time as Authority reasonably requires upon 5 days prior written notice.

(d) **Financial Report.** Within sixty (60) days following the end of each calendar year, Owner shall furnish Authority with a complete annual financial report for the Development based upon an examination of the books and records of the Development, prepared in accordance with the requirements of Authority.

(e) **Furnishing Information.** At the request of Authority, Owner shall furnish such reports, projections, certifications, budgets, operating reports, tax returns and analyses as required pursuant to the rules and regulations of Authority and the Trust Fund Act as amended from time to time, or by other applicable Federal or state statutes or requirements, and shall give specific answers to questions upon which information is desired from time to time relative to Owner's income, assets, liabilities, contracts and operation, all relative to the Development, and the administration, operation, maintenance, occupancy, financial soundness and physical condition of the Project.

(f) **Relocation Plan.** Any temporary relocation or permanent displacement of tenants shall occur only in accordance with the relocation plan as submitted by Owner to and approved by Authority (the "Relocation Plan"). Owner shall be responsible for ensuring compliance with all contents of the Relocations Plan.

(g) **Compliance with Certain Laws.** It shall comply with the provisions of the Environmental Barriers Act (Ill.Rev.Stat. 1989, ch.111 1/2, par. 3711 et seq.), the Illinois Accessibility Code (71 Ill.Adm. Code 400) and the provisions of 47 Ill.Adm. Code 310, Subpart I.

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6. Non-Discrimination in Housing.

(a) Owner shall not in the selection of tenants, in the provision of services, or in any other manner discriminate against any person on the grounds of race, color, creed, religion, sex, age, handicap, national origin or family status or that a prospective Tenant is receiving governmental rental assistance.

(b) Owner shall comply with all of the provisions of Paragraph 313 of the Act, Section 10(a) of the Trust Fund Act and all other provisions of Federal, state and local law relative to non-discrimination.

7. Violation of Agreement by Borrower. Upon violation of any of the provisions of this Agreement by Owner or Trustee, the Authority shall give written notice thereof to Owner and Trustee by registered or certified mail addressed to the addresses stated in this Agreement, or such other addresses as may subsequently, upon appropriate written notice thereto to the Authority, be designated by Owner and Trustee as their legal business address. If such violation is not corrected to the satisfaction of the Authority within thirty (30) days after the date such notice is mailed or within such further time as the Authority in its sole discretion permits, the Authority may declare a default under this Agreement effective on the date of such declaration of default and upon such default the Authority may:

(a) Declare the whole of the indebtedness under the Note immediately due and payable and then proceed with the rights and remedies set forth in the Mortgage; and/or

(b) Subject to the rights of the Senior Lender as defined in the Mortgage, collect all rents and charges in connection with the operation of the Development and use such collections to pay Borrower's obligations under this Agreement, the Mortgage Note, the Mortgage and such other obligations of Borrower in connection with the Development and the necessary expenses of preserving and operating the Development; and/or

(c) Take possession of the Development, subject to the rights of the Senior Lender as defined in the Mortgage, bring any action necessary to enforce any rights of Owner growing out of the operation of the Development and operate the Development in accordance with the terms of this Agreement until such time as Authority, in its sole discretion, determines that Owner is again in a position to operate the Development in accordance with the terms of this Agreement and in compliance with the requirements of the Note and Mortgage; and/or

(d) Apply to any court, state or federal, for specific performance of this Agreement, for an injunction against any violation of this Agreement, for the appointment of a receiver to take over and operate the Development in accordance with the terms of this Agreement, or for such other relief as may be appropriate, because the injury to Authority arising from a default under any of the terms of this Agreement would be irreparable and the amount of damages would be difficult to ascertain. Borrower acknowledges and agrees that the Authority's remedies at law, in the event of a violation of this Agreement, would be inadequate to assure the Authority's public purpose under the Trust Fund Act; and/or

(e) Exercise such other rights or remedies as may be available to Authority hereunder, at law or in equity;

(f) No delay on the part of the Authority in exercising any rights under this Agreement, failure to exercise the same nor the exercise of less than all of its rights under this Agreement shall operate as a waiver of such right.

8. Termination of Liabilities.

(a) In the event of a sale or other transfer of the Development, all of the duties, obligation undertakings and liabilities of the owner-transferor, under the terms of this Agreement, shall thereafter cease and terminate as to such owner-transferor, except as to any acts or omissions or obligations to be paid or performed of such owner-transferor which the owner-transferor knew or should have known prior to such sale or transfer, provided, however, as a condition precedent to the termination of the

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liability of the owner-transferor hereunder, the owner-transferee shall assume, on the same terms and conditions as apply hereunder to the owner-transferor, all of the duties and obligations of such owner-transferor, arising under this Agreement from and after such sale or transfer. Such assumption shall be in form and content acceptable to Authority.

(b) Any new owner (a "New Owner") shall be bound by the terms of this Agreement to the same extent and on the same terms as the present Owner and/or Trustee is bound hereunder and shall execute an assumption of such obligation in form and content acceptable to Authority as condition precedent to such party's admission as a New Owner; provided that any such New Owner shall not be obligated with respect to matters or events which occur or arise prior to such party's admission as a New Owner.

9. Definitions. As used in this Agreement, the term:

(a) "Low Income Tenant" means a single person, family or unrelated persons living together whose adjusted income is more than 50%, but less than 80%, of the median income of the area of residence, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937.

(b) "Very Low Income Tenant" means a single person, family or unrelated persons living together whose adjusted income is less than 50%, of the median income of the area of residence, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937.

10. Term of Agreement/Covenants Running with Land. The covenants and agreements set forth in this Agreement shall be deemed to run with and bind and burden the Development, and shall be deemed to bind New Owner and any other future owners of the Development and any legal, equitable or beneficial interest therein (a) so long as the Mortgage Note and Mortgage on the Development are outstanding and in effect, each and every covenant and agreement herein shall remain in effect (b) from and after the cancellation of the Mortgage Note and the release and discharge of the Mortgage prior to the date the Mortgage Note was originally scheduled to mature, only the covenants and agreements set forth herein in Paragraphs 2, 3(a)-(e), 3(i), 3(j), 4(d), 5(a), 5(c)-5(e), 6(a), 7(b)-(e), 8(b), 9-20 (collectively, the "Continuing Obligations") shall remain in effect, and those shall remain in effect only for the period of time ending on the date the Mortgage Note was originally scheduled to mature.

It is hereby expressly acknowledged by Borrower that the undertakings, covenants and agreements of Borrower are given to induce Authority to make the Mortgage Loan and that, notwithstanding that the Mortgage Loan may have been repaid prior to maturity, the borrower's undertaking to perform on an ongoing basis the Continuing Obligations is a condition precedent to the willingness of Authority to make the mortgage Loan. In the event that the Mortgage Loan is prepaid prior to maturity, the Continuing Obligations shall continue to apply as aforesaid irrespective of whether the Mortgage Loan is prepaid voluntarily by Owner or tendered by any party following an acceleration by Authority of the Mortgage or enforcement by it of other of its remedies in connection with the Mortgage Loan.

11. Amendment of Agreement. This Agreement shall not be altered or amended without the prior written approval of all of the parties hereto.

12. Execution of Conflicting Documents. Borrower warrants that it has not, and shall not, execute any other agreement with provisions contradictory, or in opposition, to the provisions hereof, and that, in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations set forth in such other agreement and supersede any other requirements in conflict therewith; provided, however, that to the extent this Agreement conflicts with any provisions or requirements set forth in the Mortgage or Mortgage Note, the Mortgage or Mortgage Note, as the case may be, shall prevail and control.

13. Partial Invalidity. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

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14. Binding Successors. This Agreement shall bind, and the benefits shall inure to, the respective parties hereto, their legal representatives, executors, administrators, successors in office or interest, and assigns, provided that Owner may not assign this Agreement or any of its obligations hereunder without the prior written approval of Authority.

15. Gender. The use of the plural in this Agreement shall include the singular; the singular shall include the plural; and the use of any gender shall be deemed to include all genders.

16. Election of Authority's Remedies. Authority's remedies are cumulative and the exercise of one shall not be deemed an election of remedies, nor foreclose the exercise of Authority's other remedies.

17. Waiver by Authority. No waiver by Authority of any breach of this Agreement shall be deemed to be a waiver of any other or subsequent breach.

18. Captions. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of the intent of the Agreement.

19. Notices. The following are addresses for notices hereunder.

Trustee: COLE TAYLOR BANK
850 W. Jackson
Chicago, IL 60607
Attn: Trust Department

Owner: KOSOH HOUSING LIMITED PARTNERSHIP
310 S. Peoria
Chicago, IL 60607
c/o Access Living

Authority: Illinois Housing Development
Authority
401 N. Michigan, Suite 900
Chicago, Illinois 60611
Attn: Legal Department

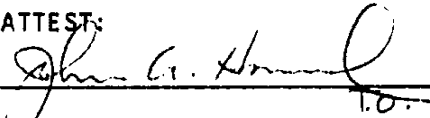
IN WITNESS WHEREOF, the parties hereto have caused this Regulatory Agreement to be executed and attested on the day and year above first written.

The CEF Mortgage Loan Rider attached hereto is hereby incorporated by this reference and made a part hereof.

LAND TRUSTEE

COLE TAYLOR BANK, not personally but
solely as Trustee
as aforesaid

ATTEST:



J.A. Howard

By: 

Its: 
_____ MJP

OWNER:

KOSOH HOUSING LIMITED PARTNERSHIP, an
Illinois limited partnership

By: KOSOH Housing, Inc.,
an Illinois corporation

By: 

Its: President

Exoneration provision restricting any liability of
Cole Taylor Bank stated in and on the side
hereof or attached hereto is hereby expressly
made a part hereof.

ATTEST:

COOK COUNTY, ILLINOIS

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EXCULPATORY CLAUSE

If it is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, undertakings, representations, covenants, conditions and agreements herein made on the part of the Trustee, while in fact performed by the Trustee in good faith, and every act or thing made and intended not as personal warranties, indemnities, covenants, conditions and undertakings by the Trustee or for the purpose or with the intention of making said Trustee personally liable and answerable, but for the purpose of binding only that portion of the trust property specifically described herein and this instrument is executed and delivered by said Trustee not in its own right, but as trustee and executor of the powers vested upon it as such Trustee; and that no personal liability or personal responsibility is assumed by or shall at any time be assumed or enforceable against Cole Taylor Bank or any of the beneficiaries hereof and Trust Agreement, on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

COLE TAYLOR BANK

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ILLINOIS HOUSING DEVELOPMENT
AUTHORITY

ATTEST:
Sten A. Nimmunali

By: Pete Larson
Its: DEPUTY DIRECTOR

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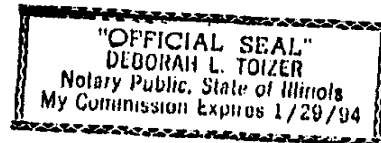
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Barbara Black, personally known to me to be the President of KOSOH Housing, Inc., an Illinois corporation, the sole general partner of KOSOH Housing Limited Partnership is personally known to me to be the same person whose name is subscribed to the foregoing Regulatory And Land Use Restriction Agreement, appeared before me this day in person and acknowledged that she signed and delivered said instrument, in her respective capacity as President of KOSOH Housing, Inc., an Illinois corporation, the sole general partner of KOSOH Housing Limited Partnership as her free and voluntary act and as the free and voluntary act and deed of KOSOH Housing Limited Partnership for the uses and purposes therein set forth.

Given under my hand and official seal this 27th day of December, 1990.

Deborah Toizer
Notary Public



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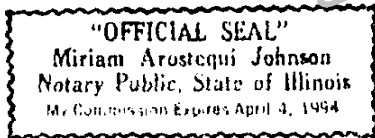
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STATE OF ILLINOIS)
COUNTY OF Cook) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that PETER K. LEVINSON, personally known to me to be the DEPUTY DIRECTOR of Illinois Housing Development Authority and STEVEN H. NEMEROVSKI, personally known to me to be the ASST. SECRETARY of Illinois Housing Development Authority, each of whom are personally known to me to be the same persons whose names are subscribed to the foregoing Mortgage, appeared before me this day in person and acknowledged that they signed and delivered said Mortgage, in their respective capacities as DEPUTY DIRECTOR and ASST. SECRETARY of Illinois Housing Development Authority, as their free and voluntary act and as the free and voluntary act and deed of Illinois Housing Development Authority, for the uses and purposes therein set forth.

Given under my hand and official seal this 7th day of December, 1990.

Miriam Arostequi Johnson
Notary Public



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STATE OF ILLINOIS)
COUNTY OF _____) SS

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that DOUGLAS W. MYERS, personally known to me to be the AVP of Cole Taylor Bank and _____, personally known to me to be the T.O. of Cole Taylor Bank, each of whom are personally known to me to be the same persons whose names are subscribed to the foregoing Mortgage, appeared before me this day in person and acknowledged that they signed and delivered said Mortgage, in their respective capacities as AVP and T.O. of Cole Taylor Bank, as their free and voluntary act and as the free and voluntary act and deed of Cole Taylor Bank for the uses and purposes therein set forth.

Given under my hand and official seal this 27th day of DEC, 1990

Dawn M. Talbott
Notary Public



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CEF MORTGAGE LOAN RIDER

This Rider is attached to and made a part of the Regulatory and Land Use Restriction Agreement evidencing and securing a loan in the amount of Five Hundred Fifty-Eight Thousand Six Hundred Twenty-Three and 00/100 Dollars (\$558,623.00) (the "Loan") made by the Illinois Housing Development Authority ("Lender") to Cole Taylor Bank, not personally, but solely as Trustee under Trust Agreement dated October 30, 1990 and known as Trust No. 90-3016 whose sole beneficiary is KOSOH Housing Limited Partnership, an Illinois limited Partnership (collectively, the "Borrower") for the construction or rehabilitation of the five-story apartment building located at 927 W. Wilson Avenue, Chicago, Illinois 60640 (the "Project"). The limited partnership providing equity for the Project, whether Borrower or another entity, is sometimes referred to herein as the "Partnership," and the Articles of Limited Partnership forming or continuing the Partnership are referred to herein as the "Partnership Agreement."

The parties hereto agree that the following covenants, terms and conditions shall be part of and shall modify or supplement each of the documents evidencing, securing, or governing the disbursement of the Loan ("Loan Documents"), and that in the event of any inconsistency or conflict between the covenants, terms, and conditions of the Loan Documents and this Rider, the following covenants, terms, and conditions shall control and prevail:

1. Notwithstanding anything to the contrary in the Regulatory and Land Use Restriction Agreement, the Loan is a nonrecourse obligation of Borrower. Neither Borrower nor any of its general and limited partners (or, if Borrower is not the Partnership, the general and limited partners of the Partnership), nor any other party shall have any personal liability for repayment of the Loan. The sole recourse of Lender under the Loan Documents for repayment of the Loan shall be the exercise of its rights against the Project and related security thereunder.
2. Neither the withdrawal, removal, replacement, and/or addition of a general partner of the Partnership pursuant to the terms of the Partnership Agreement, nor the withdrawal, replacement, and/or addition of any of its limited partner's general partners, shall constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan, provided that any required substitute general partner is reasonably acceptable to Lender and is selected with reasonable promptness.
3. If a monetary event of default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder Lender shall give Borrower and each of the general and limited partners of the Partnership, as identified in the Partnership Agreement, simultaneous written notice of such default. Borrower shall have a period of seven (7) days after such notice is given within which to cure the default prior to exercise of remedies by Lender under the Loan Documents.
4. If a non-monetary event of default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder Lender shall give Borrower and each of the general and limited partners of the Partnership, as identified in the Partnership Agreement, simultaneous written notice of such default. If the default is reasonably capable of being cured within thirty (30) days, Borrower shall have such period to effect a cure prior to exercise of remedies by lender under the Loan Documents. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and if Borrower (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Borrower shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Lender. In no event shall Lender be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) days after the first notice of default is given.

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5. In the event of any fire or other casualty to the Project or eminent domain proceedings resulting in condemnation of the Project or any part thereof, Borrower shall have the right to rebuild the Project, and to use all available insurance or condemnation proceeds therefor, provided that (a) such proceeds are sufficient to keep the Loan in balance and rebuild the Project in a manner that provides adequate security to Lender for repayment of the Loan or if such proceeds are insufficient then Borrower shall have funded any deficiency, (b) Lender shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (c) no material default then exists under the Loan Documents. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the Loan in a manner that provides adequate security to Lender for repayment of the remaining balance of the Loan.
6. There shall be no default for construction or rehabilitation delays beyond the reasonable control of Borrower, provided that such delays do not exceed one hundred eighty (180) days.
7. In any approval, consent, or other determination by Lender required under any of the Loan Documents, Lender shall act reasonably and in good faith.

In Witness Whereof, the undersigned have caused this Rider to be executed this 27th day of December, 1990.

BORROWER:

KOSOH Housing
Limited Partnership,
an Illinois Limited Partnership

By: KOSOH Housing, Inc.
an Illinois corporation

By: Barbara Black
Its: President

ATTEST:

By: _____
Its: _____

COLE TAYLOR BANK

By: [Signature]
Its: AVR

ATTEST:

By: John C. Howard
Its: T.O.

LENDER

Illinois Housing
Development Authority

By: [Signature]
Its: DEPUTY DIRECTOR

ATTEST:

By: [Signature]
Its: ASST. SECRETARY

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EXHIBIT A

LEGAL DESCRIPTION

THE EAST 50 FEET OF THE WEST 150 FEET OF LOT 2 IN RUFUS C. HALL'S
SUBDIVISION OF THE 15 RODS SOUTH OF AND ADJOINING THE NORTH 80 RODS OF
THE EAST 1/2 OF THE NORTH EAST 1/4 OF SECTION 17, TOWNSHIP 40 NORTH,
RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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