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REGULATORY AND LAND USE RESTRICTION AGREEMENT

THIS REGULATORY AND LAND USE RESTRICTION AGREEMENT (the "Agreement"), dated as of the 3rd day of March, 1992, by and between 62ND STREET LIMITED PARTNERSHIP, an Illinois limited partnership ("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:

27/90

WHEREAS, Borrower is the holder of legal title of certain real property in Chicago, Illinois, which real property is legally described in Exhibit A attached hereto and by this reference made a part hereof (the "Development");

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;

WHEREAS, Authority has issued a conditional commitment letter pursuant to which it has agreed to make a loan to Borrower in the sum of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) (the "Mortgage Loan") which Mortgage Loan is to be evidenced by a mortgage note (the "Mortgage Note") and secured by a junior 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, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

THIS INSTRUMENT WAS PREPARED BY AND AFTER RECORDING SHOULD BE RETURNED TO:
Diane Schussel
Illinois Housing Development Authority
401 N. Michigan Ave., Suite 900
Chicago, IL 60611

1992 MAR 27 10:56

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

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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 Owner Covenants. Borrower further represents, warrants, covenants and agrees that:

(a) Borrower shall limit occupancy of fifty-one percent (51%) of the units in the Development to those persons and families whose income does not exceed the income limits for Very Low Income Tenants and the remaining forty-nine percent (49%) of the units shall be limited to occupancy by Low Income Tenants as defined in Paragraph 9 of this Agreement; provided, however, that if the Tenant meeting such income requirements at the time of initial occupancy subsequently fails to continue to meet such requirements, that failure shall not be a breach hereof;

(b) In the advertising, marketing, and rental of units in the Development and the selection of Tenants for such units, Borrower agrees to abide by the terms and conditions of the Tenant Selection Plan dated December 11, 1991, executed by Borrower and approved by the Authority, as it may be amended from time to time;

(c) In the management and operation of the Development, Borrower agrees to abide by the terms and conditions of the Affirmative Fair Housing Marketing Plan dated December 11, 1991. Borrower 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 by the Authority, Borrower shall obtain from each prospective Very Low Income Tenant and Low Income Tenant prior to admission to the Development a certification of income, and at such intervals thereafter as required by Authority, a recertification of income from all such Tenants. Borrower shall submit such certifications and recertifications to Authority in the manner prescribed by the Authority;

(e) In the manner prescribed by the Authority, Borrower 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.

(f) Borrower shall comply with the rent limitations contained in Section 360.904(c) of the Rules;

(g) Borrower shall require all Tenants to execute a lease in a form approved by the Authority;

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

(i) Borrower 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;

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

(k) Borrower shall not evict any Tenant from the Development without good cause;

(l) Borrower shall design and rehabilitate the Development in conformity with applicable Federal, state and local statutes, regulations, ordinances, standards and codes (except as otherwise approved by the Authority), with industry practices in Illinois, and with applicable rules, contracts, agreements, procedures, guides and other requirements of the Authority provided to Borrower in writing; and

(m) Borrower shall expeditiously complete the rehabilitation of the Development.

At the end of each calendar year Borrower shall certify to the Authority that, at the time of such certification and during the preceding calendar year, Borrower was in compliance with the requirement of this paragraph 3, or, if Borrower is not or has not been in compliance with such requirements, Borrower shall give notice to the Authority of its failure to comply and the corrective action Borrower is taking or has taken.

4. Acts Requiring Authority Approval. Except as permitted by the Mortgage, Borrower shall not without the prior written approval of Authority, which may be given or withheld in Authority's sole discretion:

(a) Convey, transfer or encumber any of the Development, or permit the conveyance, transfer or encumbrance, of any part of the Development;

(b) Convey, assign or transfer any right to manage or receive the rents and profits from the Development;

(c) Rent any unit in the Development for less than six months or more than one (1) year;

(d) 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;

(e) 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.

(f) Prepay, in part or in whole, the Mortgage Loan.

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

(a) Maintenance. Borrower shall maintain the Development including the units and the grounds and equipment appurtenant thereto 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) 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 the Authority or its agent or representative at any time as the Authority reasonably requires.

(c) Financial Report. Within one hundred twenty (120) days following the end of each calendar year, Borrower 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, and certified to by Borrower at Borrower's expense by an Illinois licensed certified public accountant.

(d) Furnishing Information. At the request of Authority, Borrower 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 Borrower'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 Development.

(e) Compliance with Certain Laws. Borrower 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, except as otherwise approved by the Authority.

6. Non-Discrimination in Housing.

(a) Borrower 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, familial status, or because the prospective Tenant is receiving governmental rental assistance.

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(b) Borrower 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 Borrower, the Authority may give written notice thereof to Borrower, the Senior Lenders, as defined in the Mortgage and the Chicago Equity Fund upon proper posting and deposit with the United States Postal Service 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 Borrower, the Senior Lenders and the Chicago Equity Fund 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 Mortgage Note immediately due and payable and then proceed with the rights and remedies set forth in the Mortgage;

(b) Subject to the rights of the Senior Lenders, 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;

(c) Subject to the rights of the Senior Lenders, take possession of the Development, bring any action necessary to enforce any rights of Borrower 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 Borrower 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 Mortgage Note and Mortgage;

(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.

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.

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8. Termination of Liabilities.

(a) In the event of a sale or other transfer of the Development, all of the duties, obligations, 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 occurred prior to such sale or transfer, provided, however, as a condition precedent to the termination of the 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 of the Development (a "New Owner") shall be bound by the terms of this Agreement to the same extent and on the same terms as the present Borrower 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 or equal to 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 any 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, and (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 in Paragraphs 2, 3(a)-(e), 3(i)-(j), 5(a), 6, 7(d)-(e), 8(b), 9-19 of this Agreement 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 (the "Continuing Obligations").

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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, subject to the provisions of paragraph 8 hereof, 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 Borrower 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 executed, 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. The provisions of this Paragraph 12 shall not be deemed to be violated by the Senior Instruments, as such term is defined in the Mortgage or in any Rider thereto.

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

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 this Agreement.

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19. Notices. Any notice which any party hereto may desire or may be required to give to any other party hereto shall be in writing, and shall be deemed given (i) if and when personally delivered, (ii) upon deposit with delivering agent if sent by a local messenger or overnight courier addressed to a party at its address set forth below, or (iii) upon proper posting and deposit with United States Postal Service registered or certified mail, postage prepaid, addressed to a party at its address set forth below, or at such other place as such party may have designated to all other parties by notice in writing in accordance herewith (but service or delivery of courtesy copies not in accordance herewith shall not be a default hereunder):

If to Borrower:

62nd Street Limited Partnership
c/o 62nd Street Joint Venture
One East Wacker Dr., Suite 2900
Chicago, Illinois 60601
Attn: Norman Katz

cc: Keck, Mahin & Cate
233 South Wacker Dr., 83rd Fl.
Sears Tower
Chicago, Illinois 60606
Attn: Mark Burns, Esq.

Chicago Equity Fund 1991
Partnership
c/o Chicago Equity Fund, Inc.
24 W. Erie Street
Chicago, Illinois 60610

If to Authority:

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

20. Incorporation. The provisions of the Tenant Selection Plan, Affirmative Fair Housing Marketing Plan, and Management Plan, attached hereto as Exhibits B, C and D respectively, and the Chicago Equity Fund Mortgage Loan Rider attached hereto are incorporated herein and made a part hereof by this reference.

21. Subordination. It is expressly acknowledged and agreed that all rights, obligations, remedies, agreements, and other terms and provisions herein contained or arising hereunder are subject and subordinate, in all respects, to the rights, obligations, remedies, agreements, and other terms and provisions set forth in, or arising under, any and all instruments and documents evidencing and/or securing certain loan(s) made or to be made by the City of Chicago, through its Department of Housing and the Community Investment Corporation ("Primary Lenders") in connection with the rehabilitation of the Development, which loans shall be in the aggregate original principal amounts of \$6,885,000.00 and \$4,254,000.00 respectively. Without limitation on the foregoing, this instrument is expressly subject and subordinate to that certain Construction Loan Mortgage and Security Agreement with Collateral Assignment of Leases and Rents, Junior Mortgage and Security Agreement, and the Regulatory Agreement, dated approximately concurrently

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herewith executed by Borrower to and for the benefit of Primary Lenders (including all rights, obligations, remedies, agreements, other terms and provisions therein contained).

22. The provisions of the Chicago Equity Fund Mortgage Loan Rider attached hereto are incorporated herein and made a part hereof.

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

OWNER:

62ND STREET LIMITED PARTNERSHIP,
an Illinois limited partnership

By: 62nd Street Joint Venture,
General Partner

By: Rescorp Development, Inc.
Its: General Partner

ATTEST:

By: *Delia A. Lopez*
Its: Asst Secretary

By: *[Signature]*
Its: President

By: Chicago Urban League
Development Corporation
Its: General Partner

ATTEST:

By: _____
Its: _____

By: *Ruth M. Louie*
Its: Vice President

AUTHORITY:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

ATTEST:

By: *[Signature]*
Its: ASST. SECRETARY

By: *[Signature]*
Its: DIRECTOR

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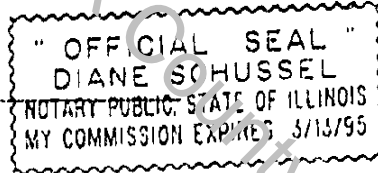
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that PETER R. DWARS and Varren Mothe, personally known to me to be the DIRECTOR and ASST. SECRETARY respectively, of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY, each of whom are 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 acknowledged that they signed and delivered the said instrument in their respective capacities as DIRECTOR and ASST. SECRETARY of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY, as their free and voluntary act and deed and as the free and voluntary act and deed of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY, in accordance with a resolution of the ILLINOIS HOUSING DEVELOPMENT AUTHORITY, for the uses and purposes therein set forth.

Given under my hand and official seal this 13th day of March, 1992.

Diane Schussel
Notary Public

My Commission expires: _____

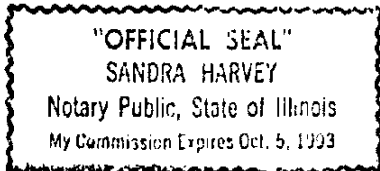


STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that [Signature] and [Signature], personally known to me to be the President and Asst. Sec., respectively, of RESCORP DEVELOPMENT, INC., each of whom are personally known to be to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument in their respective capacities as President and Asst. Sec. of RESCORP DEVELOPMENT, INC., as their free and voluntary act and deed and as the free and voluntary act and deed of RESCORP DEVELOPMENT, INC., for the uses and purposes therein set forth.

Given under my hand and official seal this 20th day of March, 1992.

Sandra Harvey
Notary Public



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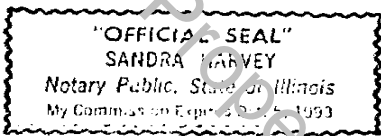
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Justin Jones and _____ personally known to me to be the vice pres and _____ of CHICAGO URBAN LEAGUE DEVELOPMENT CORP., each of whom are 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 acknowledged that they signed and delivered the said instrument in their capacities as vice pres and _____ of CHICAGO URBAN LEAGUE DEVELOPMENT CORP., as their free and voluntary act and deed and as the free and voluntary act and deed of CHICAGO URBAN LEAGUE DEVELOPMENT CORP., for the uses and purposes therein set forth.

Given under my hand and official seal this 26th day of March, 1992.

Sandra Harvey
Notary Public



Property of Cook County Clerk's Office

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EXHIBIT A

THE PREMISES

- PARCEL 1: 20-15-416-005
LOTS 8 AND 9 IN BLOCK 14 IN THE RESUBDIVISION OF THE WASHINGTON PARK CLUB ADDITION TO CHICAGO IN SECTION 15, TOWNSHIP 38 NORTH, RANGE 14 EAST TO THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS
- PARCEL 2: 20-15-410-013
LOTS 18, 19 AND 20 IN BLOCK 2 IN RESUBDIVISION OF BLOCKS 11 AND 12 IN THE RESUBDIVISION OF THE WASHINGTON PARK CLUB ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH HALF OF THE SOUTH EAST QUARTER OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS
- PARCEL 3: 20-15-317-043
THE SOUTH 7 FEET OF LOT 4 AND ALL OF LOTS 5, 6, 7 AND 8 IN BLOCK 6 IN DAVIDSON'S SUBDIVISION OF LOTS 7, 8 AND PART OF LOT 12 IN WILSON HEALD AND STEBBINS SUBDIVISION OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, THE EAST BOUNDARY LINE OF SAID PREMISES BEING THE WEST LINE OF SOUTH PARK AVENUE, IN COOK COUNTY, ILLINOIS
- PARCEL 4: 20-15-418-015
LOTS 39 AND 40 IN BLOCK 7 IN THE RESUBDIVISION OF BLOCKS 11 AND 12 IN THE RESUBDIVISION OF THE WASHINGTON PARK CLUB ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS
- PARCEL 5: 20-15-410-031
LOTS 21 AND 22 IN BLOCK 2 IN THE RESUBDIVISION OF BLOCKS 11 AND 12 IN THE RESUBDIVISION OF THE WASHINGTON PARK CLUB ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH HALF OF THE SOUTH EAST QUARTER OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.
- PARCEL 6: 20-15-408-026
LOTS 19 AND 20 IN BLOCK 4 IN THE RESUBDIVISION OF BLOCKS 11 AND 12 IN THE RESUBDIVISION OF THE WASHINGTON PARK CLUB ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH 1/2 OF THE SOUTHEAST 1/4 OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS
- PARCEL 7: 20-15-418-001
LOTS 1 AND 2 IN BLOCK 7 IN THE RESUBDIVISION OF BLOCKS 11 AND 12 IN THE RESUBDIVISION OF THE WASHINGTON PARK CLUB ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH HALF OF THE SOUTH EAST QUARTER OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.
- PARCEL 8: 20-15-317-039 1039
THE SOUTH 2 FEET AND 2 INCHES OF LOT 6, ALL OF LOTS 7 AND 8, AND LOT 9, (EXCEPT SOUTH 1 3/4 INCHES OF LOT 9) IN BLOCK 1 IN ISAAC PFLAUM'S SUBDIVISION OF LOT 6 AND THAT PART OF LOT 12 LYING NORTH OF THE SOUTH LINE OF LOT 6 AFORESAID (PRODUCED TO INDIANA AVENUE) IN WILSON, HEALD AND STEBBINGS

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SUBDIVISION OF THE EAST HALF (1/2) OF THE SOUTHWEST QUARTER (1/4) OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 9: 20-15-416-009

LOTS 1 AND 2 IN BLOCK 5 IN RESUBDIVISION OF BLOCKS 11 AND 12 IN RESUBDIVISION OF WASHINGTON PARK CLUB ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH 1/2 OF THE SOUTH EAST 1/4 OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 10: 20-15-412-015

LOTS 13 AND 14 IN BLOCK 7 IN THE RESUBDIVISION OF THE WASHINGTON PARK CLUB ADDITION TO CHICAGO, A SUBDIVISION OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF SECTION 15, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

- 6235 S. Martin Luther King Cyo.
6153 S. Edmunds Ave, Cyo
6224 S. Dr. Martin Luther King D -
6200 S. Rhodes Cyo.
6154 S. Rhodes, Cyo
6156 S. Vernon Cyo
6201 S. Edmund Cyo
6152-58 S. Martin Luther Ave, Cyo
6200 Vernon Ave, Cyo
6153 S. St. Lawrence Cyo, Il

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CHICAGO EQUITY FUND MORTGAGE LOAN RIDER

This Chicago Equity Fund Mortgage Loan Rider is attached to and made a part of this Regulatory and Land Use Restriction Agreement, the Third Mortgage ("Mortgage") and certain other Loan Documents, all as defined in the Mortgage, evidencing and securing a loan in the amount of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) (the "Loan") made by the Illinois Housing Development Authority ("Lender") from funds that are not the product of any bond issuance or otherwise obtained from Federal funds to 62nd Street Limited Partnership ("Borrower") for the rehabilitation of ten (10) multi-family residential buildings in the West Woodlawn community of Chicago, Illinois (the "Development"). The limited partnership providing equity for the Development, whether Borrower or another entity, is sometimes referred to herein as the "Partnership" and the Amended and Restated 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 (the "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. 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 Development and related security thereunder.
2. Neither the withdrawal, removal, replacement, and/or addition of a general partner or minority limited partner of the Partnership pursuant to the terms of the Partnership Agreement, nor the withdrawal, replacement, and/or addition of any of its limited partners' component 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 partners of the Partnership and the Chicago Equity Fund 1991 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

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give Borrower and each of the general partners of the Partnership and the Chicago Equity Fund 1991 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 ninety (90) days after the first notice of default is given.

5. In the event of any fire or other casualty to the Development or eminent domain proceedings resulting in condemnation of the Development or any part thereof, Borrower shall have the right to rebuild the Development, 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 Development 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 disbursement 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 Development 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 sixty (60) 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.
8. Lender hereby indicates its consent to the following liens and encumbrances with respect to the Development: (a) that certain first mortgage loan from Community Investment Corporation to Borrower in the original principal amount of \$4,254,000.00, together with all documents evidencing and securing such loan; (b) that certain second mortgage loan from the City of Chicago in the original principal amount of \$1,450,000.00, together with all documents evidencing and securing such loan; (c) that certain Regulatory Agreement of approximately even date herewith between Borrower and the City of Chicago; (d) residential leases entered into in the ordinary course of business of the Development, to the extent consistent with the provisions of this

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Regulatory and Land Use Restriction Agreement between Lender and Borrower; (e) that certain CDBG Float loan from the City of Chicago to Borrower in the original principal amount of \$5,435,000.00, together with all documents evidencing and securing such loan; (f) real estate taxes for the Development which are not yet due and payable. Such consent by Lender shall not be deemed to exclude or invalidate any other consent by Lender to other liens or encumbrances with respect to the Development.

IN WITNESS WHEREOF, the undersigned have caused this Rider to be executed by their authorized agents or representatives this 13th day of March, 1992.

Borrower:

62nd Street Limited Partnership
By: 62nd Street Joint Venture,
General Partner.

By: RESCORP Development, Inc.,
its general partner

By: _____

Title: _____

ATTEST:

By: _____

Its: _____

By: Chicago Urban League Development
Corp., its general partner

By: _____

Title: _____

ATTEST:

By: _____

Its: _____

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Lender:

Illinois Housing Development Authority

By: _____

Title: _____

ATTEST:

By: _____

Its: _____

[Signature]

DIRECTOR

[Signature]

ASST. SECRETARY

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WESTWOOD APARTMENTS TENANT SELECTION PLAN

I. INTRODUCTION

This Tenant Selection Plan (Plan) outlines procedures which will be followed in selecting new tenants for the development. The Relocation Plan which is submitted in tandem with this plan, covers the selection and application process for relocatees at the development.

II. RENTAL UNITS

Westwood Apartments (Development) will offer 162 rental units. The number of rental units at the Development reserved for low and very low income households follows:

A minimum of 51% of the units will be reserved for persons of very low income.*

III. ESTABLISHING A WAITING LIST

A. Management will send a letter (Exhibit A) to the groups listed on the outreach section of the Affirmative Fair Housing Marketing Plan stating that the marketing of the project is commencing. This letter will contain descriptive information about the Development and solicit tenant referrals.

B. Definition of the Waiting List

1. The Development will maintain a Waiting List for its units. The Waiting List is a list of all individuals interested in applying for a unit at the Development. Individuals can telephone or come to the Development's rental office to have their names placed on the Waiting List. When the rental office receives inquiries regarding the Development, the rental staff must indicate that names are being accepted for the Development's Waiting List.

*The Developer will market at least 51% of the units at the Development to applicants who qualify under Section 8 very low income limits. However due to the Development's location and ensuing market demand, occupancy of very low income residents at the Development may ultimately be as high as 90% to 100%.

Prior to being placed on the Waiting List, Management's staff will request that the individual provide the information of the Preapplication Form (Exhibit B). Once this information is obtained, the Preapplication Form will be dated and numbered. Names will appear on the Waiting List in the order in which the Preapplication Forms have been dated and numbered. The Waiting List will be categorized by unit size and special occupancy categories (Section XI). Placement of the Waiting List does not guarantee that an individual is eligible or acceptable for occupancy at the Development.

IV. SCHEDULING INTERVIEWS

A. Contacting Individuals on the Waiting List

When a unit becomes available, an interview will be scheduled with the individual who is first on the Waiting List for that unit size. Management will indicate what information the individual should bring to the interview.

If, after three attempts, Management cannot contact the individual by telephone, the individual will forfeit the opportunity to apply for the available unit. However, this individual will remain at the top of the Waiting List.

When a second unit becomes available, this individual will again be contacted according to the procedure outlined above. If the individual cannot be contacted after three attempts and does not respond to a certified letter within 5 business days from the date that the letter was mailed, the individual's name will be removed from the Waiting List and placed in the inactive file.

B. Refusal of a Unit

If an individual refuses a unit, Management will send a letter informing him/her that his/her name will be removed from the Waiting List and placed in the inactive file.

C. Failure to Attend an Interview

When an individual fails to attend a scheduled interview, management will attempt to contact the individual by telephone. If Management is unable to reach the individual after 3 attempts within 48 hours, the individual's name will be placed in the inactive file. If Management contacts the individual, or if the individual contacts Management within 48 hours, another appointment will be scheduled. If the individual again fails to attend the interview, the individual's name will be placed in the inactive file.

D. Placement in the Inactive File

In all cases when a name is placed in the inactive file, Management will send a letter to the individual informing him/her that his/her name has been removed from the Waiting List and placed in the inactive file (Exhibit C). This letter will state the reason why the name was placed in the inactive file.

V. UPDATING THE WAITING LIST

The Waiting List will be updated every 12 months in the following manner: Annually, a letter will be sent to each individual who has been on the Waiting List for at least four months (Exhibit D). The bottom portion of this letter is to be returned if the individual is still interested in living at the Development. The letter will state that the individual can call the Management office in 30 days to be informed of his/her position on the Waiting List. This letter will also inform the individual that it is up to him/her to notify the Management office of any changes in his/her address or telephone number. The individual will be given 15 days (excluding weekends and designated Federal holidays) from the date the letter was mailed in which to respond. If no response is received, the individual's name will be placed in the inactive file.

VI. THE INTERVIEW PROCESS

- A. Application (Only applicable to new rentals not relocatees)

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During each interview, a written application will be taken (Exhibit E). Management will charge an application fee of no more than \$25.00, (which will be waived if the applicant is Section 8). If the applicant is accepted, the application fee will be credited toward the security deposit. If the applicant is rejected, the application fee will be refunded within 30 days of the date of the rejection notice (Exhibit J). If the applicant is accepted for occupancy but refuses a unit, the application fee will be forfeited.

B. Credit Check Fee

In addition to the application fee, Management will charge a non-refundable credit check fee of no more than \$25.00. (This will be waived if applicant is Section 8.)

C. Verification of Information on Application

Management will take the following actions with respect to all written applications:

1. Order a written credit report.
2. Request a Certification of Income (Exhibit F)

D. Home Visits

After Management has completed all other steps in the application process, Management will conduct a home visit on all applicants living within a 50 mile radius of the Development at the time of the interview (Exhibit G).

E. Completion of the Application Process

Prior and after 95% occupancy, the application process will be completed in 21 days after the staff has received all required documentation (excluding weekends and designated Federal holidays). The application process begins with the applicant's interview with Management, and ends when the applicant is advised of his/her rejection/acceptance.

VII. ELIGIBILITY REQUIREMENTS

A. Income

Because of the use of Federal Tax Credits, the annual gross income of the household must be less than or equal to 60% of the median income for that family size for the City of Chicago. The area's median income is established and published by HUD and may be revised periodically.

B. Household/Unit Size Limitations

The unit applied for must have enough bedroom space to accommodate the applicant's household. No more than two people will be permitted to occupy a bedroom. In selecting a unit size for the applicant, Management will balance the need to avoid over-crowding a unit with the objective of maximum utilization of space.

VIII. SELECTION AND REJECTION CRITERIA

The fact that an applicant meets the eligibility requirements does not mean that the applicant will be a suitable tenant. The prospective tenant must be able to fulfill lease obligations. In making this determination, Management will consider various criteria, along with any related explanations offered by the applicant concerning the facts involved, including changes in circumstance. Rejection of an applicant may be based on one or more of the following criteria:

A. Insufficient/Inaccurate Information on Application

Management will consider whether the applicant refuses to cooperate fully in all aspects of his/her application process, or whether the information supplied has been intentionally falsified.

B. Credit and Financial Standing

1. Management will consider the applicant's history of financial obligations, (including timely payment of rent, outstanding judgements or a history of late payment of bills). If Management rejects an application based upon the credit report, Management will give the applicant the reason for rejection and the name of the credit bureau that performed the credit check. Applicants will also be given the opportunity to have corrections made to the report.

2. Management will take into account inability to verify credit references. It will take into account special circumstances in which credit has not been established (income, age, marital status, etc.). Lack of credit history will not cause an applicant to be rejected, although, in such circumstances, Management may require that the lease be guaranteed by a person with a history of credit-worthiness.
3. Management will consider whether the applicant demonstrates financial ability to pay the monthly contribution toward the rent of the unit.

C. History of Residency

Management will verify and document the previous two years of housing for each applicant, including applicants who were homeowners or lived with parents/guardians. As part of this review, Management will consider whether the applicant or any other person who will be living in the unit has a history of criminal activity that involved physical violence to persons or property, or endangered the health and safety of other persons; who have been convicted of the manufacture or distribution of a controlled substance; or is currently addicted to or engaged in the illegal use of a controlled substance. If an applicant is currently receiving treatment for addiction to a controlled substance, Management will not reject the applicant so long as he or she is acceptable as a tenant in all other respects. Management will consider all circumstances regarding criminal activity as well as the period during which it occurred.

D. Unsanitary Housekeeping

Management will consider unsanitary housekeeping by the applicant. This criteria is not intended to exclude households whose housekeeping is only superficially unclean or disorderly if such conditions would not appear to affect the health, safety or comfortable possession of other residents.

IX. ACCEPTANCE/REJECTION PROCEDURES

A. Acceptance Notification

Each accepted applicant will receive a written notification indicating the date that the rental unit will be available for occupancy (Exhibit I).

B. Rejection Notification

Management will promptly send each rejected applicant a written rejection notice stating the reason(s) for rejection (Exhibit J). This notice will advise the applicant that he/she may, within 14 days of receipt of the notice (excluding weekends and designated Federal holidays), respond in writing or request to meet with Management to appeal the notice. This letter shall also inform the applicant that responding to Management's notice does not preclude the applicant from exercising any legal rights he/she may have.

X. SPECIAL OCCUPANCY CATEGORIES

Although applicants will be interviewed, processed, and accepted as authorized in Sections IV through X, exceptions will be made for the following reasons:

A. Handicapped Applicants

Visually and hearing impaired applicants will be given priority for those units especially designated for such physical handicaps.

B. Federal Preferences

Federal preferences apply to the Development's tenant selection process (check one) Yes No . If Yes, please see the attached rider which outlines the procedures for Federal preference applicants.

All applicants given preference within a special occupancy category must meet the eligibility and selection criteria outlined in Sections VII through X above.


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XI. DOCUMENTATION

Management will document every step of the tenant selection process. Tenant files must be maintained by Management which will include, but not be limited to, copies of the following correspondence:

- a. Exhibit A - Affirmative Marketing Outreach Letter
- b. Exhibit B - Preapplication Form
- c. Exhibit C - Inactive File Letter
- d. Exhibit D - Letter to Update the Waiting List
- e. Exhibit E - Application
- f. Exhibit F - Certification of Income
- g. Exhibit G - Home Visits
- h. Exhibit H - Income Limits
- i. Exhibit I - Acceptance Notice
- j. Exhibit J - Rejection Notice

Submitted:


Larry McCarthy REBCORP Realty

Date: 12/10/91

Date: _____

Approved:


Illinois Housing Development Authority

Date: 12/11/91

EXHIBIT A

AFFIRMATIVE MARKETING OUTREACH LETTER

Re: _____ Apartments

Dear _____:

On _____, we will be opening our rental office for _____ Apartments.

_____ Apartments is a rental development for low income families located at _____ in the city of _____. Units will be ready for occupancy on or around _____, and the following unit types will be available:

- Studio _____
- One Bedroom _____
- Two Bedroom _____
- Three Bedroom _____
- Total _____

If you know of any interested families, please have them call me at _____.

Thank you for your assistance.

Sincerely,

Property Manager

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EXHIBIT B

Name (Head of Household): _____

Address: _____

Phone: (Home) _____ (Work) _____

Unit Type Requested: ___ Studio: ___ 1 BR: ___ 2 BR: ___ 3 BR: ___

Are you visually or hearing impaired? Yes ___ No ___

Annual Household Income: \$ _____

Name: _____ AGE: _____ Relationship: _____

Name: _____ AGE: _____ Relationship: _____

Name: _____ AGE: _____ Relationship: _____

Name: _____ AGE: _____ Relationship: _____

Name: _____ AGE: _____ Relationship: _____

Name: _____ AGE: _____ Relationship: _____

Name: _____ AGE: _____ Relationship: _____

Name: _____ AGE: _____ Relationship: _____

Date Apartment is Needed? _____

How did you hear about the development? _____

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EXHIBIT C

INACTIVE FILE LETTER

Re: _____
Apartments

Dear _____:

You previously expressed an interest in residing at
_____ Apartments. However, your name has been
placed in our inactive file for the following reason:

If you have any questions regarding this matter, please contact me at
_____.

Sincerely,

Property Manager

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Property of Cook County Clerk's Office

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EXHIBIT D

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LETTER UPDATING THE WAITING LIST

Re: _____
Apartments

Dear Interested Person:

We are currently in the process of updating our waiting list for _____ Apartments. Some time ago, you expressed an interest in living at our development, and your name was placed on our waiting list.

If you are still interested in living at _____ Apartments, please return the bottom portion of this letter to _____, the _____ Apartments management office, within 15 days (excluding weekends and designated Federal holidays). Failure to return this information within this time period will result in your name being permanently removed from the waiting list.

In addition, please be advised that it is your responsibility to notify management of any changes in your address, telephone number, and/or family size. If you wish to know your position on the waiting list, you can call the rental office at _____ in thirty days.

Thank you for your interest in living at _____ Apartments.

Sincerely,

Property Manager

RETURN THIS PORTION

I am still interested in living at _____ Apartments.

Applicant Name: _____

Current Address: _____

Phone Number: (Home) _____

(Work) _____

Unit Size Desired: _____

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EXHIBIT F CERTIFICATION OF INCOME

Development Name: _____

Tenant Name: _____

Unit #: _____ Rental Rate: \$ _____ Move-in Date: _____

Recertification Date: _____

The undersigned hereby certifies that:

1. This Certification of Income is being delivered in connection with the undersigned's application for occupancy of unit number _____, in _____ Apartments, in _____, Illinois.

2. The following individuals will occupy the unit:

	<u>Occupant</u>	<u>Relationship</u>	<u>Age</u>
a.	_____	_____	_____
b.	_____	_____	_____
c.	_____	_____	_____
d.	_____	_____	_____
e.	_____	_____	_____
f.	_____	_____	_____

3. The total anticipated gross income for the twelve month period commencing with the date the lease is signed is as follows: \$ _____

I certify that the information above is true and complete to the best of my knowledge and belief on the date hereof. In the event that this Certification of Income is executed more than five days prior to the date I intend to occupy the unit, I hereby agree to update and recertify the accuracy of the information herein provided as of the date I first occupy the unit.

Applicant

Date

Received by:

Management

Date

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(Name of Development)

The undersigned hereby makes application for an apartment as indicated below:

PLEASE PRINT

Home Phone _____

Full Name: _____ Business Phone _____

Last First Middle

Present Address: _____ No. Street City Zip State

PERSONS TO RESIDE IN UNIT:

Name	Relationship to Head	Date of Birth	Sex	Social Security #	Occupation

Present Housing: Rental Home Owner Other (Explain): _____

No. of Bedrooms _____ Monthly Rent or Carrying Charge \$ _____ Utilities \$ _____ Total \$ _____

Present Landlord: _____ Name Address City Zip

Present Landlord Phone: _____ Occupancy Since: _____ Lease Expires: _____

Previous Address: _____ Tenant For: _____ yrs. _____ mos.

Previous Landlord: _____ Name Address City Zip

Type of Auto(s): Number of Autos _____

1. Make & Model _____ License Plate # _____ State _____

2. Make & Model _____ License Plate # _____ State _____

Applicant Driver's License # _____ State _____

Co-Applicant Driver's License # _____ State _____

Do you own a pet? _____ Type _____ Weight _____

Applicant

- (a) Employer's Name _____
- (b) Employer's Address _____
- (c) Type of Business _____
- (d) Position occupied _____
- (e) Name & Title of Supervisor _____
- (f) No. of years in present employment _____

Co-Applicant (Name: _____)

- (a) Employer's Name _____
- (b) Employer's Address _____
- (c) Type of Business _____
- (d) Position occupied _____
- (e) Name & Title of Supervisor _____
- (f) No. of years in present employment _____

NOTE: If less than 2 years, include same details with respect to prior employment

Applicant

- (a) Employer's Name _____
- (b) Employer's Address _____
- (c) Type of Business _____
- (d) Position occupied _____
- (e) Name & Title of Supervisor _____
- (f) No. of years in prior employment _____

Co-Applicant

- (a) Employer's Name _____
- (b) Employer's Address _____
- (c) Type of Business _____
- (d) Position occupied _____
- (e) Name & Title of Supervisor _____
- (f) No. of years in prior employment _____

FOR OFFICE USE ONLY

APPL. NO. _____

BLDG. ADDRESS _____

APT. NO. _____

NO. OF BEDROOMS _____

ANTICIPATED MOVE IN DATE _____

NOTE: _____

07. SEX OF HEAD F M

F - FEMALE, M - MALE

08. BIRTHDATE OF HEAD []-[]-[]-[]-[]-[]

10. PREVIOUS EMPLOYER [] [] [] [] [] [] [] [] [] []

11. EMPLOYER'S ZIP CODE [] [] [] [] [] [] [] [] [] []

12. UNRELATED FLAG 0 1 2 3

0 - NON-APPLICABLE; 1 - UNRELATEDS

13. NUMBER IN HOUSEHOLD [] [] [] [] [] [] [] [] [] []

21. SPECIAL CONSIDERATION A B C D E F G H

A - NO SPECIAL CONSIDERATION

B - HANDICAPPED

C - RENT CONCESSION

D - TWO WAGE EARNERS

E - MOVED FROM OTHER INHDA DEVELOP

F - D & C

G - B & D

H - B & E

22. SECURITY DEPOSIT [] [] [] [] [] [] [] [] [] []

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ANNUAL INCOME:

(a) Base pay of Applicant
(including commissions, fees, tips, estimated overtime or other employment earnings for the coming year) \$ _____

(b) Base pay of co-applicant
(including same as above) \$ _____

(c) Income from other sources
(Include Social Security or Pension payments, unemployment insurance benefits, military allotments, bank interest, stock dividends, real estate income, income of all family members, child support, OR INCOME FROM ANY OTHER SOURCE.)

List:	Family Member	Source	Amount
	_____	_____	\$ _____
	_____	_____	\$ _____
	_____	_____	\$ _____
	_____	_____	\$ _____
	_____	_____	\$ _____

Total Annual Family Income
(Add a, b and c) \$ _____

(a) Installment or Revolving Credit Accounts Payable

Name of Card	Amount Owed	No. Payments Left	Monthly Payments

(b) Notes Payable and Other Liabilities (Automobiles, Mortgage, Personal, etc.)

Type	Payable to, or Lender's Name	Amount Owed	No. Payments Left	Monthly Payment
Total a and b		\$ _____		\$ _____

REFERENCES:

PERSONAL:

(1) _____ Name _____ Address _____ City _____ Phone _____

(2) _____ Name _____ Address _____ City _____ Phone _____

BANK:

(1) _____ Name _____ Address _____ City _____ Checking Account # _____ Savings Account \$ _____

(2) _____ Name _____ Address _____ City _____ Checking Account # _____ Savings Account \$ _____

CHARGE ACCOUNTS: (If additional space is needed, use extra sheet).

Name of Store or Card	Address of Store	Account Number

A deposit in the sum of \$ _____ is made herewith to be applied to the first month's rent and security deposit. This deposit will be held during the processing of this application. If the application is approved and accepted, then applicant(s) agrees to execute a written lease and pay the balance due on the first month's rent and security deposit within 10 days after being notified of acceptance. If applicant(s) fails to execute lease and make payment as aforesaid then the deposit will be retained as liquidated damages to cover the cost of processing the application. If this application is not approved and accepted, the deposit will be promptly refunded. In addition to the deposit, the sum of \$ _____ is hereby paid to cover the cost and expense of obtaining a credit report on the applicant; the sum is NOT REFUNDABLE. Applicant(s) understands that the filing of this application does not in any way bind _____ to reserve or assign an apartment to me (us).

The undersigned Applicant(s) has examined the statements made on both sides of this application form and hereby certifies that they are true, correct and complete, and that all family income has been listed above. The statements are made to induce _____ to enter into a lease with Applicant(s) for the apartment listed above. I/we agree that inquiries may be made to verify the statements made in this application.

Signed _____ (Applicant)

Date _____

Signed _____ (Co-Applicant)

THIS DATA AND ALL DATA RECEIVED BY THE MANAGEMENT RELATIVE TO INCOME OF APPLICANTS IS REGARDED AS BEING CONFIDENTIAL IN NATURE AND PROTECTED ACCORDINGLY TO THE EXTENT PERMITTED BY LAW.

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EXHIBIT G

HOME VISIT REPORT

Applicant Name _____ Date _____

Current Address _____

Person Conducting Home Visit _____

Date of Applicant's Tenancy in this Unit. From _____ To _____

1. General Cleanliness

A. Bedrooms, Living/Dining Room () Good () Acceptable () Unacceptable

Explain _____

B. Kitchen Appliances () Good () Acceptable () Unacceptable

Explain _____

C. Bathroom () Good () Acceptable () Unacceptable

Explain _____

D. Are there any cleaning supplies in the unit? () Yes () No

E. Is there evidence of vermin infestation? _____

Explain _____

2. Other Comments

A. Did the applicant have any comments on the unit or its conditions?

B. Other comments by Staff _____

3. I have read the above Home Visit Report and I am aware of its contents.

Applicant's Signature

Date

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EXHIBIT H

The maximum annual income limits, as of December 1, for Westwood Apartments, which is located in the City of Chicago, are as follows:

<u>Number of Persons</u>	<u>Tax Credit Ceiling</u>	<u>Very Low Income</u> (50% of median)
1	\$19,687.50	\$16,400.00
2	\$22,500.00	\$18,750.00
3	\$25,312.00	\$21,100.00
4	\$28,125.00	\$23,450.00
5	\$30,375.00	\$25,350.00
6	\$32,625.00	\$27,200.00
7	\$34,875.00	\$29,100.00
8	\$37,162.00	\$30,950.00

As stated in the Affordable Housing Program Administrative Rules, these income limits may be revised from time to time.

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EXHIBIT I

ACCEPTANCE NOTICE

Re: _____
Apartments

Dear _____:

After careful consideration and review of your application and other tenant selection criteria, you have been accepted for occupancy at _____ Apartments. Your _____ bedroom unit will be available for occupancy on _____.

Please contact the management office at _____ to establish a time to pick up your keys and to sign your lease. We look forward to having you as an occupant.

Sincerely,

Property Manager

Property of Cook County Clerk's Office

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EXHIBIT J

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REJECTION NOTICE

Re: _____ Apartments

Dear Applicant:

We wish to thank you for your interest in renting an apartment at _____ Apartments. After careful consideration and review of your application, we regret that we are not able to accept your application for tenancy at this time for the following reason(s):

If you wish a review of this decision, please contact the Management Office within 14 days of this letter (excluding weekends and designated Federal holidays) by written correspondence or by telephone.

Regardless of whether or not you decide to respond to this notice, you may still exercise other avenues of relief available to you if you believe that you have been discriminated against on the basis of race, color, creed, religion, sex, national origin, age or handicap.

Sincerely,

Property Manager

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EXHIBIT G

HOME VISIT REPORT

Applicant Name _____ Date _____

Current Address _____

Person Conducting Home Visit _____

Date of Applicant's Tenancy in this Unit. From _____ To _____

1. General Cleanliness

A. Bedrooms, Living/Dining Room () Good () Acceptable () Unacceptable

Explain _____

B. Kitchen Appliances () Good () Acceptable () Unacceptable

Explain _____

C. Bathroom () Good () Acceptable () Unacceptable

Explain _____

D. Are there any cleaning supplies in the unit? () Yes () No

E. Is there evidence of vermin infestation? _____

Explain _____

2. Other Comments

A. Did the applicant have any comments on the unit or its conditions?

B. Other comments by Staff _____

3. I have read the above Home Visit Report and I am aware of its contents.

Applicant's Signature _____

Date _____

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EXHIBIT H

The maximum annual income limits, as of December 1, for Westwood Apartments, which is located in the City of Chicago, are as follows:

<u>Number of Persons</u>	<u>Tax Credit Ceiling</u>	<u>Very Low Income (50% of median)</u>
1	\$19,687.50	\$16,400.00
2	\$22,500.00	\$18,750.00
3	\$25,312.00	\$21,100.00
4	\$28,125.00	\$23,450.00
5	\$30,375.00	\$25,350.00
6	\$32,625.00	\$27,200.00
7	\$34,875.00	\$29,100.00
8	\$37,162.00	\$30,950.00

As stated in the Affordable Housing Program Administrative Rules, these income limits may be revised from time to time.

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EXHIBIT I

ACCEPTANCE NOTICE

Re: _____
Apartments

Dear _____:

After careful consideration and review of your application and other tenant selection criteria, you have been accepted for occupancy at _____ Apartments. Your _____ bedroom unit will be available for occupancy on _____.

Please contact the management office at _____ to establish a time to pick up your keys and to sign your lease. We look forward to having you as an occupant.

Sincerely,

Property Manager

92157123

EXHIBIT J
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REJECTION NOTICE

Re: _____ Apartments

Dear Applicant:

We wish to thank you for your interest in renting an apartment at _____ Apartments. After careful consideration and review of your application, we regret that we are not able to accept your application for tenancy at this time for the following reason(s).

If you wish a review of this decision, please contact the Management Office within 14 days of this letter (excluding weekends and designated Federal holidays) by written correspondence or by telephone.

Regardless of whether or not you decide to respond to this notice, you may still exercise other avenues of relief available to you if you believe that you have been discriminated against on the basis of race, color, creed, religion, sex, national origin, age or handicap.

Sincerely,

Property Manager

92457129



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U.S. Department of Housing and Urban Development
Chicago Regional Office, Region V
826 W. Jackson Blvd.
Chicago, Illinois 60606-5601

Affirmative Fair Housing Marketing Plan:
(Multifamily Housing)
Applicant: RESCORP Development
Project Name: 62nd Street Joint Venture
Project No.: 071-335607 PM
Location: Chicago, Illinois

JAN 04 1981

Mr. Norman Katz, President
RESCORP Development
One East Wacker
Suite 2900
Chicago, Illinois 60601

Dear Mr. Katz:

We are pleased to advise you that the Affirmative Fair Housing Marketing Plan (AFHMP) that you submitted for the subject project is approved as of the date of this letter.

As you know, the primary purpose of the affirmative marketing program is to promote a condition in which individuals of similar income levels in the same housing market area have available to them a like range of choices in housing, regardless of the individual's race, color, religion, sex or national origin. Accordingly, the Department has identified procedures which you are required to follow pursuant to the goals of the program and to assure that affirmative marketing plans are implemented in accordance with the approved plan and the Department's regulations.

- (1) The approved AFHMP must be available for public inspection in your office.
- (2) The HUD Fair Housing Poster is required to be prominently displayed in all offices in which rental activity takes place; displayed from the start of construction; and properly maintained throughout the construction and rental periods. Also, include in any printed material used in connection with rental, the Department approved Equal Housing Opportunity logo, slogan or statement.

M-
page I of approval letter

Clerk's Office

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OMB. No. 2529-0013 (exp. 7/97)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

**COMPLETE FORM AND SUBMIT TO: FAIR HOUSING AND EQUAL OPPORTUNITY DIRECTOR/SPECIALIST,
AREA/SERVICE OFFICE**

1. INTRODUCTION:

The Affirmative Fair Housing Marketing Regulations require that each applicant subject to these Regulations carry out an affirmative program to attract prospective buyers or tenants of all minority and non-minority groups to the housing that the applicant is providing. These groups include Whites (Non-Hispanic) and members of minority groups: Blacks (Non-Hispanic), American Indians/Alaskan Natives, Hispanics and Asian/Pacific Islanders in the Standard Metropolitan Statistical Area (SMSA) or housing market area who may be subject to housing discrimination on the basis of race, color, religion, sex or national origin.

2. APPLICATION AND PROJECT IDENTIFICATION:

A. APPLICANT'S:		B. PROJECT OR APPLICATION NUMBER	
NAME 62nd Street Apartment Venture		62nd Street Apartments	
ADDRESS (Include City, State and ZIP Code) One East Wacker - Suite 2900 Chicago, IL 60601		NUMBER OF UNITS 162	071 35607 PM
TELEPHONE NUMBER 312/321-5720		PRICE OR RENTAL RANGE (IF UNITS): FROM \$ _____ TO \$ _____	
C. PROJECT		D. FOR MULTIFAMILY HOUSING ONLY: <input type="checkbox"/> ELDERLY <input checked="" type="checkbox"/> NON-ELDERLY	
NAME 62nd Street Apartments		E. APPROXIMATE STARTING DATES Unknown at this time	
LOCATION/ADDRESS (Include City, State and ZIP Code) 62nd Street & King Drive		ADVERTISING _____ OCCUPANCY _____	
COUNTY: <u>Cook</u> CENSUS TRACT: <u>0314205</u> <u>0914206</u>		F. NAME OF MANAGING/SALES AGENT RESCORP Realty, Inc.	
		ADDRESS (Include City, State and ZIP Code) One East Wacker - Suite 2900 Chicago, IL 60601	

3. TYPE OF AFFIRMATIVE MARKETING PLAN

Project Plan; Annual Plan (for single family scattered site units). NOTE: A separate Annual Plan must be developed for each type of census tract in which the housing is to be built.
 Minority Area White (non-minority) Area Mixed Area with _____ % minority residents

4. DIRECTION OF MARKETING ACTIVITY

Indicate below which group(s) in the housing market area are least likely to apply for the housing because of its location and other factors without special outreach efforts.

White (Non-Hispanic) Black (Non-Hispanic) American Indian or Alaskan Native Hispanic Asian or Pacific Islander

5. MARKETING PROGRAM:

A. COMMERCIAL MEDIA

Check the media to be used to advertise the availability of this housing.

Newspaper(s)/Publication(s) Radio TV Billboards(s) Other (Specify) _____

NAME OF NEWSPAPER, RADIO OR TV STATION (1)	RACIAL/ETHNIC IDENTIFICATION OF READERS/AUDIENCE (2)	SIZE/DURATION OF ADVERTISING (3)
Chicago Tribune	All Races and Ethnic Background	As appropriate to
Chicago Sun Times	All Races and Ethnic Background	fill vacant units.
Hyde Park Herald	All Races and Ethnic Background	
Chicago Defender	African-American	
La Raza Publicaciones	Hispanic	

B. BROCHURES, SIGNS AND HUD'S FAIR HOUSING POSTER

(1) Will brochures, leaflets, or handouts be used to advertise? Yes No. If yes, attach a copy or submit when available. (2) For project site sign: indicate sign size 3 x 4; Logotype size _____ x _____. Attach a photograph of project sign or submit when available. (3) HUD's Fair Housing Poster must be conspicuously displayed wherever sales/rentals and showings take place. Fair Housing Posters will be displayed in the Sales/Rental Office(s); Real Estate Office(s); Model Unit(s); Other (Specify) _____

C. COMMUNITY CONTACTS

To further inform the group(s) least likely to apply about the availability of the housing, the applicant agrees to establish and maintain contact with the group/organizations listed below that are located in the housing market area or SMSA. If more space is needed attach an additional sheet. Notify HUD-FHEO of any changes in this list. Attach a copy of correspondence to be mailed to these groups/organizations. (Provide all requested information.)

NAME OF GROUP/

RACIAL/ETHNIC

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6. FUTURE MARKETING ACTIVITIES (Rental Units Only)

Check the block(s) that best describe future marketing activities to fill vacancies as they occur after the project has been initially occupied.

- Newspapers/Publications Radio TV Brochures/Letters/Handouts Sign Signs
 Community Contacts Others (Specify) _____

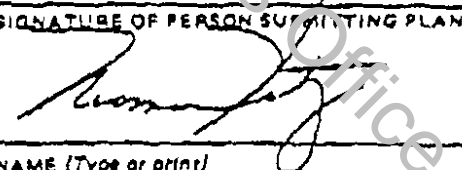
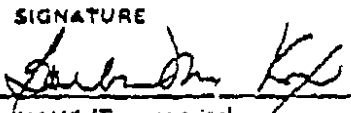
7. EXPERIENCE AND STAFF INSTRUCTIONS

- A. Indicate any experience in marketing housing to the group(s) identified as least likely to apply Yes No
- B. Indicate training to be provided to staff on Federal, state and local fair housing laws and regulations, as well as this AFHM Plan. Attach a copy of the instructions to staff regarding fair housing.

8. ADDITIONAL CONSIDERATIONS:

- A. The Marketing Agent, RESCORP Realty marketed Northpoint apartments to whites and Hispanics. Northpoint was 10% white, 6% hispanic, 82% black, 2% Asian. Palmer Square has 11% white and 74% hispanic (or other), 15% black.

9. By signing this form, the applicant agrees, after appropriate consultation with HUD, to change any part of the plan covering a multifamily project to assure continued compliance with Section 200.620 of HUD's Affirmative Fair Housing Marketing Regulations.

FOR FHEO'S USE ONLY		SIGNATURE OF PERSON SUBMITTING PLAN	
APPROVAL BY	DISAPPROVAL BY		
SIGNATURE	SIGNATURE		
		NAME (Type or print)	
THOMAS HIGGINBOTHAM		Norman Katz	
TITLE	TITLE	TITLE AND COMPANY	
DIRECTOR, FH&EO		President RESCORP Development	
DATE	DATE	DATE	
JAN 04 1991		November 12, 1990	

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PARTICIPANT SELECTION PLAN
for the

_____ (the "Program")

I. INTRODUCTION

This selection plan (the "Plan") outlines the procedures which will be followed in selecting participants for the Program. This Plan will be implemented by _____ (the "Administrator"). This Plan will only be utilized during the initial marketing of the units.

II. MARKETING EFFORTS

As the means of compiling a list of interested participants, the Administrator will undertake certain marketing efforts aimed at creating an awareness for the general public and certain community groups as to the availability of the new housing units being created with Affordable Housing Trust Fund monies. These marketing efforts can include, but are not limited to; promotional brochures, newspaper advertising, billboards, mass mailings, public relations, radio advertising, and television advertising. A form (see exhibit 1) has been provided for the Administrator to indicate the specific mediums and community contacts to be used in marketing the Program. Exhibit 1 must be attached to the approved Plan.

These marketing efforts will be implemented by the Administrator prior to establishing an interested persons list for the housing units for rent or purchase.

III. UNITS

The Program will offer _____ units. The number of units reserved for low and very low income households is as follows:

_____ low income units

_____ very low income units

IF THE ADMINISTRATOR HAS PREVIOUSLY DEVELOPED SELECTION PROCEDURES AND/OR CRITERIA, THEY MAY BE SUBMITTED FOR REVIEW IN LIEU OF SECTIONS III THROUGH VIII. SECTIONS I AND II MUST REMAIN VIRTUALLY UNCHANGED.

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IV. ESTABLISHING AN INTERESTED PARTICIPANT LIST

The Administrator will compile a list of interested participants who have responded to the above marketing efforts (the "List"). The names of all interested participants will be placed on the List in the order in which their name is received. Participants may place their name on the List by either telephoning or coming to the Administrator's office.

At the time of being placed on the List, the participant must complete a preliminary application form (see exhibit 2). This form will be numbered and dated thereby providing both the Administrator and participant with reasonable assurances concerning the fairness of the first come first served approach to the List.

V. SCHEDULING INTERVIEWS

When a unit becomes available, an interview will be scheduled with the participant who is first on the List. The Administrator's staff shall inform the participant concerning what information should be brought to the interview.

If after a reasonable number of attempts (a minimum of 3 phone calls over a two day period) when trying to schedule an interview, the Administrator's staff is unable to contact the next participant on the List, this participant's name will be removed from the List. The Administrator's staff will then attempt to contact the next participant on the List. If a participant is contacted and refuses a unit, his/her name will also be removed from the List. If a participant fails to attend a scheduled interview and is subsequently unreachable by telephone or unable to provide an adequate explanation concerning his/her absence, his/her name will also be removed from the List. In all cases where the participant's name is removed from the List, the Administrator's staff will notify the participant in writing of the reason for his/her name being removed from the List.

VI. THE INTERVIEW PROCESS

During each interview, a written application will be taken. The application will provide the Administrator's staff with sufficient information to obtain a credit check and to determine the participant's apparent eligibility for the Program. In addition, each participant must provide a verification of income completed by his/her employer.

VII. ELIGIBILITY REQUIREMENTS

The annual gross income of the participant's household must be less than or equal to the maximum applicable income limit as provided in the Affordability Housing Program Administrative Rules. These income limits are attached hereto (see exhibit 3). These limits may be revised from time to time by the Illinois Housing Development Authority.

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VIII. SELECTION AND REJECTION CRITERIA

The fact that a participant meets the eligibility requirements of Section VI does not mean the participant will be a suitable owner. The Administrator's staff, in making this determination, will consider various criteria; along with any related explanations offered by the participant concerning the facts involved, including changes in circumstances. Some of the criteria utilized by the Administrator's staff in making this decision are as follows: credit and financial standing, insufficient or inaccurate information on the application, history of residency, unsanitary housekeeping. Whatever criteria is utilized, is to be utilized for all applicants. Rejection of a participant may be based on one or more of these criteria. The Administrator's staff will promptly notify each rejected participant in writing stating the reason(s) for his/her rejection.

Submitted by: _____ Date _____
Administrator

Approved by: _____ Date _____
Illinois Housing Development Authority

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OUTLINE FOR MARKETING PROGRAM

A. Commercial Media

Indicate the media to be used in advertising the availability of the subject housing.

_____ Newspaper(s)/Publications(s) _____ Radio _____ T.V _____ Billboards
 _____ Mass Mailings _____ Brochures _____ Public Relations
 _____ Other(specify)

Name of Newspapers,
Radio, or T.V. Stations

Size or Duration
of Advertising

- | | |
|----------|-------|
| 1. _____ | _____ |
| 2. _____ | _____ |
| 3. _____ | _____ |
| 4. _____ | _____ |

E. Community Contacts

If the Administrator chooses to contact community groups as part of its marketing program, then the following information pertaining to each group is required: (Please use additional paper if needed.)

1. Name of Group/Organization
2. City, State, Zip Code
3. Contact Person
4. Telephone Number
5. Approximate Date of Contact

Group I:

Group II

1. _____
2. _____
3. _____
4. _____
5. _____

1. _____
2. _____
3. _____
4. _____
5. _____

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EXHIBIT 2 PREAPPLICATION FORM

_____ Date Received: _____

Name (Head of Household): _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone: (Home) _____ (Work) _____

Annual Household Income: \$ _____

Family Size: _____

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EXHIBIT 3

INCOME LIMITS

The maximum annual income limits, as of _____, for the _____ Program, which will finance single family homes in _____ County, follow (complete an exhibit for each applicable county):

<u>Number of Persons</u>	<u>Low Income</u> (80% of Median)	<u>Very Low Income</u> (50% of Median)
1	\$ _____	\$ _____
2	\$ _____	\$ _____
3	\$ _____	\$ _____
4	\$ _____	\$ _____
5	\$ _____	\$ _____
6	\$ _____	\$ _____
7	\$ _____	\$ _____
8	\$ _____	\$ _____

As stated in the Affordable Housing Program Administrative Rules, these income limits may be revised from time to time.

92157129

Chicago Equity Fund 1991 Model Form - 9/1/91
Tab 10

PROPERTY MANAGEMENT AGREEMENT

This Agreement is made as of the _____ day of _____, 19____, between The 62nd Street Limited Partnership, an Illinois limited partnership ("Owner"), having its principal office at One East Wacker - Suite 2900, Chicago, Illinois 60601, and RESCORP Realty, Inc., an Illinois corporation ("Agent"), having its principal office at One East Wacker - Suite 2910, Chicago, Illinois 60601.

W I T N E S S E T H:

In consideration of the terms, conditions, and covenants hereinafter set forth, Owner and Agent hereby mutually agree as follows:

1. Definitions. As used in this Agreement:

(a) "Building" shall mean, collectively, the real property commonly known as Westwood Apartments, Chicago, Illinois, and all improvements, appurtenances, and equipment located thereon, including one hundred sixty-two (162) dwelling units. (See attached schedule)

(b) "Fiscal Year" shall mean calendar year unless specifically provided to the contrary herein.

(c) "Gross Collections" shall mean all amounts actually collected by Agent, as rents or other payments, but excluding (i) income derived from interest or investments, (ii) discounts and dividends on insurance, and (iii) security deposits.

(d) "Gross Rents" shall mean revenues collected from Tenants plus any federal assistance paid to Owner with respect to the Building.

(e) "Lease" shall mean any Lease in which Owner has agreed to let and Tenant has agreed to accept the dwelling unit of the Building identified in the Lease in accordance with the terms of the Lease.

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11/15/2011

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Units

November 19, 1991

62nd Street Project

Bldg.#	Address	Pre-rehab Total No. of Units	Total Occupied	Post rehab Total No. of Units
#1	6235-43 S King Drive	24	16	18
#2	6224-34 S. King Drive	36 + 8 basement units	30 + 2 basement units	24
#3	6152-58 S. King Drive	30	0	18
#4	6200-04 S. Vernon 417-23 E. 62nd Street	15	0	15
#5	6156-58 S. Vernon 416-18 E. 62nd Street	12	10	12
#6	6201-03 S. Eberhart 507-11 E. 62nd Street	15	13	15
#7	6153-59 S. Eberhart 508-10 E. 62nd Street	18 + 3 basement units	18 + 3 basement units	18
#8	6200-06 S. Rhodes 515-17 E. 62nd Street	12 + 2 basement units	12 + 2 basement units	12
#9	6154-6156 S. Rhodes 514-16 E. 62nd Street	12 + 1 basement unit	10 + 1 basement unit	12
#10	6153-59 S. St. Lawrenc 608-10 E. 62nd Street	18	17	18

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(f) "Mortgages" shall mean, collectively, all mortgages from time to time encumbering the Building and all promissory notes secured thereby.

(g) "Operating Account" shall mean an account in Agent's name and designated of record in an account name approved by Owner in writing, at such financial institution as Owner may specify from time to time in writing.

(h) "Rent" shall mean that monthly amount which Tenant is obligated to pay Owner pursuant to the terms of a Lease.

(i) "Tenant" shall mean a person or family occupying a dwelling unit in the Building pursuant to a Lease.

2. Appointment and Acceptance. Owner appoints Agent as exclusive agent for the management of the Building, and Agent accepts the appointment, subject to the terms and conditions set forth in this Agreement. Agent represents that it is experienced in professional management of property of the character and occupancy of the Building, and Agent agrees to manage the Building in accordance with the highest professional standards for such property. Except to the extent this Agreement specifies higher standards and requirements, Agent shall manage the Building at least in accordance with such guidelines and standards promulgated by the Institute of Real Estate Management as are applicable to buildings similar to the Building.

3. Management Plan. Attached hereto as Exhibit A and by this reference made a part hereof, if applicable, is a copy of the Management Plan for the Building (the "Plan"), prepared and approved by Owner. The Plan, if applicable, contains a comprehensive and detailed description of the policies and procedures to be followed by Agent in the management of the Building, including but not limited to the collection of delinquent rents and charges; and the provisions of this Agreement are to be read in conjunction with and not as a limitation upon the specific obligations of Agent as set forth in the Plan. Agent agrees to comply with all applicable provisions of the Plan, regardless whether specific reference is made thereto in any particular provision of this Agreement.

4. Meeting with Owner. Agent agrees to cause a representative of Agent to confer with Owner and to attend meetings with Owner at any reasonable time or times requested by Owner.

5. Basic Information. As soon as practicable, but not later than final completion of rehabilitation or construction of the Building or any phase thereof, Owner shall furnish Agent with a complete set of general plans and specifications for the Building and copies of all guarantees and warranties pertinent to construction and fixtures and equipment of the Building. With the

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aid of this information and inspection by competent personnel, Agent shall thoroughly familiarize itself with the character, location, construction, layout, plan and operation of the Building, and especially the electrical, heating, plumbing, and ventilating system, and all other mechanical equipment in the Building.

6. Development Phase. Agent shall facilitate the work of Owner's general contractor in an effort to minimize disturbance of the Tenants and promote timely completion of rehabilitation or construction of the Building. Any disputes between the Agent and the general contractor shall be immediately referred to Owner by Agent. Further, Agent shall do the following during rehabilitation:

(a) Post notices around the construction area warning Tenants and others that area is under construction and trespass may be hazardous;

(b) Respond to Tenant complaints regarding the construction activity and notify Owner thereof; and

(c) Notify Owner of any dangerous condition that emanates from construction.

(d) Participate in the on-site inspection of the Project.

7. Marketing. Agent shall carry out the marketing activities prescribed in the Plan ^{relocation} or approved by Owner in writing. Subject to the prior written approval of Owner, advertising expenses incurred by Agent on behalf of Owner shall be paid out of the Operating Account as expenses of the Building.

8. Leasing. Agent shall offer for rent and shall rent the dwelling units in the Building, upon completion of rehabilitation of each such unit and from time to time thereafter, in accordance with a rent schedule approved in writing by Owner and the leasing guidelines and form of lease referred to hereinbelow. Incident thereto, the following provisions shall apply.

(a) Agent shall show dwelling units for rent in the Building to all prospective Tenants.

(b) Agent shall take and process applications for rentals, including prospective Tenant interviews and credit checks. If an application is rejected, the applicant shall be advised of the reason for rejection.

(c) Agent shall comply with the special low-income housing tax credit requirements concerning leasing and related matters as set forth in Paragraph 9 hereof.

(d) Agent shall be responsible for or shall assist Owner in the certification and recertification of tenants

* 6 (e) During construction period, the Agent will inform Owner of management concerns with design and construction of the project.

observing all requirements of the City's Relocation Policies

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ack
ack

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covered by any Housing Assistance Payments Contract that may be applicable to the Building with respect to federal Section 8 rent subsidies, following procedures required by the U.S. Department of Housing and Urban Development ("HUD"). After the first year of certification and recertification of Tenants, the certification and recertification process shall be the sole responsibility of Agent.

(e) Agent shall, subject to prior written approval by Owner of any deviation from Owner's approved rent schedule, Lease form, and leasing guidelines, execute all Leases in Agent's name, identified thereon as agent for Owner.

(f) Agent shall negotiate any commercial leases and concession agreements called for in the Plan or approved in writing by Owner and, subject to prior written approval by Owner of all terms and conditions, shall execute the same in its name, identified thereon as Agent for Owner.

(g) Agent shall collect, deposit, and disburse security deposits, if required, in accordance with the terms of each Lease. The amount of each security deposit shall be as specified in the Plan or as approved by Owner in writing. Security deposits shall be held by Agent in a trust account, separate from all other accounts and funds. Such account shall be in the name of the Agent and designated of record as "Security Deposit Account." Interest on security deposits shall be paid according to law.

(h) Agent shall maintain a current list of acceptable prospective Tenants and undertake all arrangements necessary and incidental to the acceptance of rental applications and the execution of Leases. Agent shall exercise its best efforts (including, but not limited to, placement of advertising, interview of prospective Tenants, assistance in completion of rental applications and execution of Leases, processing of documents and credit and employment verifications, and explanation of the program and operations of Owner), to effect the leasing of dwelling units, renewal of Leases, and, in accordance with the terms of the Lease, subleasing of dwelling units in the Building.

(i) Agent shall perform such other acts and deeds requested by Owner as are reasonable, necessary, and proper in the discharge of Agent's rental duties under this Agreement.

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(j) Agent shall prorate the first month's rent collected from a Tenant should the Lease term commence on any other day than the first day of the month. If the Lease term occurs after the twentieth (20th) day of the month, the prorated amount, plus the next month's rent, shall be collected on or before the first day of the Lease term.

(k) Agent shall participate in the inspection of the dwelling unit identified in the Lease together with the Tenant prior to move-in and upon move-out, and shall record in writing any previous damage to the unit and any damage occurring during the Tenant's occupancy.

(l) Agent shall, unless otherwise agreed by Owner and Agent in writing, (i) comply with the leasing guidelines attached hereto as Exhibit B(1) and by this reference made a part hereof, and (ii) use for each Lease the form of lease agreement attached hereto as Exhibit B(2) and by this reference made a part hereof, together with the form of Low-Income Lease Rider attached hereto as Exhibit B(3) and by this reference made a part hereof, if required by Paragraph 9 hereof, without any material changes.

9. Tax Credit Requirements. Agent acknowledges that Owner is required under its limited partnership agreement to use best efforts to lease 100% percent (100%) of the apartment space in the Building (based on number of apartments or floor area, whichever is less) (the "Credit Units") to tenants whose income and rent levels qualify such apartments for inclusion in determining federal low-income housing tax credits (the "Credits") for the Building, and that the Credits will have substantial economic value to Owner and its partners. Owner shall furnish Agent with written descriptions of such requirements as they relate to Agent's leasing and management duties hereunder. Incident thereto, the following provisions shall apply for all Credit Units:

(a) Agent shall require each prospective tenant to complete, execute, and deliver the forms of Low-Income Lease Rider and Tenant Income Certification, and shall obtain from each prospective tenant's employer the completed and executed form of Employer Verification, all attached hereto as Exhibit B(3), in order to provide necessary certification and verification of the amount of such tenant's annual family income, family size, and any other information reasonably requested by Owner in writing in connection with the Credits. Agent shall require tenants to certify in writing as to such matters on an annual basis, prior to such time as the information is required for reporting purposes. Owner shall

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give Agent advance written notice of such requirements. Prior to executing each Lease of any of the Credit Units, Agent shall deliver copies of the applicable Lease, rider, certification, and verification for each such Credit Unit to Owner and to Owner's Limited Partner described in Paragraph 28 hereof, and Agent shall not execute any Lease with respect to any of the Credit Units without having received the prior written consent of Owner with respect to each such Lease, rider, certificate, and verification.

(b) Owner shall from time to time furnish Agent with a written schedule of maximum rents for the apartments, depending on family size. Without Owner's express prior written consent, Agent shall not enter into any lease on behalf of Owner at a rental amount exceeding the applicable maximum.

(c) Agent shall maintain and preserve all written records of tenant family income and size, and any other information reasonably requested by Owner in writing in connection with the Credits, throughout the term of the Agreement, and shall turn all such records over to Owner upon the termination or expiration of the Agreement.

(d) If requested by Owner in writing, Agent shall prepare reports of low-income leasing and occupancy in form suitable for submission in connection with the Credits.

(e) Agent shall cause the Project to be maintained in compliance with all local health, safety, and building codes to the extent of available funds, and shall promptly give written notice to Owner and to Owner's Limited Partner, as identified in Paragraph 28 hereof, if Agent receives notice of any such code violation relating to the Building.

*
10. Collection of Rents, Etc. Agent shall collect when due, directly or through an on-site manager, all rents, charges, and other amounts receivable on Owner's account in connection with the management and operation of the Building. Such receipts shall be held in the Operating Account, separate from all other accounts and funds.

11. Enforcement of Leases. Agent shall secure full compliance by each Tenant with the terms of such Tenant's Lease. Voluntary compliance shall be emphasized, and Agent shall counsel Tenants and make referrals to community agencies in cases of financial hardship or other circumstances deemed appropriate by Agent, all to the end that involuntary termination of tenancies shall be avoided to the maximum extent, consistent with sound

John J. Zell
*9.1 Lender Requirements. The Owner will furnish the Agent with copies of the Regulatory Agreements related to this property. The Agent is obligated to provide management of the project in a manner satisfactory to the Lender and will comply with all pertinent requirements of the Regulatory Agreement.

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management of the Building. Nevertheless, and subject to any applicable procedures prescribed in the Plan, Agent may, and shall if requested by Owner, lawfully terminate any tenancy when sufficient cause for such termination occurs under the terms of the Tenant's Lease, including, but not limited to, nonpayment of rent. For this purpose, Agent is authorized to consult with legal counsel to be designated by Owner and bring actions for eviction and execute notices to vacate and judicial pleadings incident to such actions; provided, however, that Agent shall keep Owner informed of such actions and shall follow such instructions as Owner may prescribe for the conduct of any such action. Reasonable attorneys' fees and other necessary costs incurred in connection with such actions, as determined by Owner, shall be paid out of the Operating Account. Agent shall properly assess and collect from each Tenant or the security deposit the cost of repairing any damages to the dwelling unit arising during the Tenant's occupancy.

12. Maintenance and Repairs. Agent shall cause the Building to be maintained in a decent, safe, and sanitary condition and in a rentable and tenantable state of repair, all in accordance with the Plan and local codes, and Agent otherwise shall maintain the Building at all times in a condition acceptable to Owner, including, but not limited to, performance of cleaning, painting, decorating, plumbing, carpentry, grounds care, and such other maintenance and repair work as may be necessary. Incident thereto, the following provisions shall apply:

(a) Special attention shall be given to preventive maintenance, and to the greatest extent feasible, the services of regular maintenance personnel shall be used.

(b) Subject to Owner's prior written approval, Agent shall contract with qualified independent contractors for the maintenance and repair of major mechanical systems, and for the performance of extraordinary repairs beyond the capability of regular maintenance personnel. Agent shall obtain prior to commencement of any work appropriate written evidence of such contractor's liability and worker's compensation insurance.

(c) Agent shall systematically and promptly receive and investigate all service requests from Tenants, take such action thereon as may be justified, and keep records of the same. Emergency requests shall be received and serviced on a 24-hour basis. Complaints of a serious nature shall be reported to Owner after investigation. Owner shall have the right to receive copies of all service requests and the reports of action taken thereon.

(d) Agent shall use best efforts to take such action as may be necessary to comply with any and all orders or requirements of federal, state, county, or

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municipal authorities having jurisdiction over the Building and orders of any board of fire underwriters, insurance companies, and other similar bodies.

(e) Subject to the provisions of paragraph 19 hereof, Agent is authorized to purchase all materials, equipment, tools, appliances, supplies, and services necessary for proper maintenance or repair of the Building.

Mr. Zick
\$2,000. *ZMT*

(f) Notwithstanding any of the foregoing provisions, the prior approval of Owner shall be required for any expenditure exceeding ~~\$500.00~~ in any one instance for labor, materials, or otherwise, in connection with the maintenance and repair of the Building, except for emergency repairs involving manifest danger to persons or property, or required to avoid suspension of any necessary service to the Building. In the event of emergency repairs, Agent shall notify Owner of the fact promptly, and in no event later than 72 hours from the occurrence of the event.

13. Utilities and Services. In accordance with any applicable provisions of the Plan, Agent shall make arrangements for water, electricity, gas, sewage, and trash disposal, vermin extermination, decorating, laundry facilities, and telephone service in connection with the Building.

Mr. Zick
the Partnership

14. Personnel. All on-site personnel shall be contracted service providers or employees of Agents and shall be paid from the Operating Account as an expense of the Building. Agent shall at all times have sufficient personnel physically present at the Building for the full and efficient performance of its duties under this Agreement, including physical presence of responsible persons at such times as reasonably may be requested by Owner.

15. Operating Account. Disbursements from the Operating Account shall be governed by the following:

(a) From the funds collected and held by Agent in the Operating Account pursuant to paragraph 10 hereof, and subject to Owner's approved operating budget, Agent shall make the following disbursements promptly when payable, in the following order of priority: (i) salaries and any other compensation due and payable to the employees referred to in paragraph 14 hereof; (ii) taxes and assessments, and fire and other hazard insurance premiums, (including any required monthly escrow payments therefor), utilities, interest on the Mortgages, amortization of the principal of the Mortgages, fees, and establishment and maintenance of all reserve funds; (iii) other payments due and payable by Owner as operating

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expenses incurred pursuant to Owner's approved operating budget and in accordance with this Agreement, including Agent's compensation; and (iv) distributions to or at the direction of Owner, including distributions to Owner's partners in accordance with Owner's partnership agreement.

(b) In the event that the balance in the Operating Account is at any time insufficient to pay disbursements due and payable under subparagraph 15(a) hereof, Agent shall promptly inform Owner of the fact and Owner may then remit to Agent sufficient funds to cover the deficiency. In no event shall Agent be required to use its own funds to pay such disbursements.

16. Operating Budget. Agent shall prepare a recommended annual operating budget for the Building for each fiscal year during the term of this Agreement, and shall submit the same to Owner at least ninety (90) days before the beginning of such fiscal year. The annual operating budget shall include a schedule of recommended rents to be charged for each dwelling unit, including recommended rent increases with respect to Lease renewals and new Leases. In preparing each proposed annual operating budget, Agent shall use its best efforts to take account of anticipated increases in real estate taxes, utility charges, and other operating costs. To the extent feasible, Agent shall support anticipated increases in real estate taxes and utility charges with written evidence or documentation. Proposed annual operating budgets for the Building shall be subject to approval by Owner. Owner shall promptly inform Agent of any changes incorporated in the approved operating budget, and Agent shall make no expenditures in excess of the amounts set forth in such approved operating budget, for each line item of operation expense itemized, without the prior written approval of Owner, except as permitted pursuant to subparagraph 12(f) hereof for emergency repairs involving manifest danger to persons or property, or required to avoid suspension of any services to the Building.

17. Records and Reports. In addition to any requirements specified in the Plan or other provisions of this Management Agreement, Agent shall have the following responsibilities with respect to records and reports:

(a) Upon execution of this Agreement, Agent immediately shall ascertain the general condition of the Building, including, but not limited to, the taking of an inventory of all furniture, equipment, tools, and supplies, and shall prepare a report on the physical and financial status of the Building. Within thirty (30) days after the execution of this Agreement, Agent shall provide Owner with a copy of the reports and inventories so prepared.

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(b) Agent shall establish and maintain a comprehensive system of records, books, and accounts, including computerized systems, in accordance with the Plan and in a manner satisfactory to Owner. All records, books, and accounts shall be subject to examination at reasonable hours by any authorized representative of Owner, or of Owner's limited partner as identified in paragraph 28 hereof ("Owner's Limited Partner").

(c) Agent shall prepare a monthly report, in accordance with any applicable provisions of the Plan and in form satisfactory to Owner, containing and including at least the following: (i) a statement of income and expenses and accounts receivable and payable for the preceding month, including an itemized list of all delinquent rents as of the tenth (10th) day of the current month, as well as a report on action taken thereon by Agent; (ii) a rent roll/cash receipts form for the previous month; (iii) a disbursements summary for the previous month; (iv) current bank statements with reconciliation of the Operating and Security Deposit Accounts; (v) copies of paid bills and invoices for the previous month; and (vi) a narrative of any unusual actions taken or emergencies responded to, and a full report of any accidents, claims, and potential claims, for the previous month. Agent shall submit each such report to Owner on or before the fifteenth (15th) day of each month, and shall concurrently mail a copy of the entire report to Owner's Limited Partner.

(d) Agent shall promptly furnish such additional information (including monthly occupancy reports) as may be requested from time to time by Owner or Owner's Limited Partner with respect to the renting and financial, physical, or operational condition of the Building.

(e) Agent shall prepare, execute, and file all forms, reports, and returns required by law in connection with the employment of personnel, unemployment insurance, workman's compensation insurance, disability benefits, Social Security, and other similar insurance, and all other benefits or taxes now in effect or hereafter imposed.

(f) Agent shall establish tenant files containing copies of leases, certification forms, notices, and other documentation required by HUD, if and to the extent applicable.

Except as may otherwise be expressly provided in this Agreement, all bookkeeping, data processing

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services, and management overhead expenses shall be borne by Agent out of its funds and shall not be treated as Building expenses.

18. Fidelity Bond. Agent shall furnish and maintain, at the expense of the Building, for the duration of this Agreement and any extensions thereof, plus thirty (30) days after the expiration or termination thereof, a commercial blanket bond in favor of Owner, in an amount not less than the sum of (a) two (2) months' potential maximum Gross Rents for the Building plus (b) aggregate Tenant security deposits held from time to time, both in amounts as determined by Owner, and in a form and with a company acceptable to Owner, which commercial blanket bond shall cover Agent and all employees hired by Agent in connection with this Agreement. Such fidelity bond shall cover losses discovered by Owner within two (2) years after the occurrence of such losses. Such fidelity bond shall be attached to this Agreement, and such fidelity bond shall contain a written provision that Owner shall be given at least ten (10) days' prior written notice of cancellation. ~~xxx~~ *2/24/87*

19. Bids, Discounts, and Rebates. Agent shall obtain contracts, materials, supplies, utilities, and services on the most advantageous terms to the Building, and shall solicit formal bids on all contracts or purchases exceeding ~~\$1,000.00~~ ^{\$2,000} for those items which can be obtained from more than one source. Agent shall secure and credit to Owner all discounts, rebates, or commissions obtainable with respect to purchase, service contracts, and all other transactions on Owner's behalf.

20. Liability of Agent. Except as expressly provided to the contrary herein, the obligations and duties of Agent under this Agreement shall be performed as agent of Owner, but Agent, personally, shall be liable for its breaches of this Agreement. All expenses incurred by Agent in accordance with its obligations and duties under this Agreement and consistent with Owner's approved operating budget, except those due to its breaches of this Agreement and those expressly specified as Agent's expenses herein, shall be for the account of and on behalf of Owner.

21. Indemnification. To the extent permitted by law, Owner agrees to defend, indemnify, and save harmless Agent from all claims and suits in connection with the Building provided that such claims and suits are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, and such claims and suits arise, or are alleged to arise, in whole or in part out of any negligent act or omission of Owner, its officers, employees, or agents. Owner agrees to include Agent as an insured in Owner's public liability policy, but only while Agent is acting as real estate manager for Owner under this Agreement. Owner shall provide Agent with a certificate of insurance evidencing such liability insurance and providing not less than ten (10) days' notice to Agent prior to cancellation.

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To the extent permitted by law, Agent agrees to defend, indemnify, and save harmless Owner and its partners from all claims, investigations, and suits, or from actions or failures to act of Agent, with respect to any alleged or actual violation of state or federal labor or other laws pertaining to employees, it being expressly agreed and understood that as between Owner and Agent, all persons employed in connection with the premises are employees of Agent, not Owner. Agent shall at all times keep its employees and contractors insured for statutory workers' compensation and other employee benefits required by all applicable laws, and Agent shall maintain employer's liability insurance for an amount not less than \$1,000,000.00 covering claims and suits by or on behalf of employees and others, not otherwise covered by statutory workers' compensation insurance. Owner and its partners shall be protected in all such insurance by specific inclusion of Owner under an additional insured or alternate employer rider. Agent shall provide Owner with a certificate of insurance evidencing that workers' compensation and employer's liability insurance is in force and providing not less than ten (10) days' notice to Owner prior to cancellation.

22. Insurance. When specifically directed by Owner in writing, Agent shall cause insurance coverage required under the Mortgages and such additional forms and amounts of insurance as Owner may require, to be placed and kept in effect at all times with insurance companies satisfactory to Owner. Agent shall be designated as insured while acting as real estate manager for Owner under public liability insurance for a limit of liability acceptable to Agent and Owner. Agent shall investigate and promptly furnish to Owner full written reports of all accidents, claims, and potential claims for damages relating to the Building, and shall cooperate fully with Owner's insurers, regardless of whether the insurance was arranged by Agent or others.

23. Reserve and Escrow Payments. From the funds collected and deposited by Agent in the Operating Account, Agent shall make any reserve and escrow payments required under Owner's partnership agreement or under the Mortgages, for the purpose of funding the replacement reserve as specified in Owner's partnership agreement, any operating reserve that may be required by such agreement or otherwise advisable, and insurance, tax, and such other reserve or escrow accounts for the Building as Owner may require under its partnership agreement or pursuant to the Mortgages. Agent shall establish a separate bank account for the replacement reserve and for each other different reserve that may be required. Agent promptly shall present tax bills and insurance premium notices to the escrow agent for payment and shall furnish Owner with evidence of timely payment of such taxes and insurance premiums.

Amended 24. Agent's Compensation. ~~As compensation for all of Agent's engineering, property leasing, management, and related services under~~ The Agent will be compensated for its services under this Agreement by monthly fees to be paid out of the Rental Agency Account and treated as project expenses.

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~~this Agreement, beginning in the month following the month of funding of the permanent first mortgage loan for the Building, Agent shall receive a monthly fee in an amount equal to _____ percent (____%) of the Gross Rents received in that month (the "Management Fee"), to be paid out of the Operating Account and treated as a Building expense. Such fee shall be payable on the tenth (10th) day of the month following the month in which the services were rendered, subject to the provisions of subparagraph 25 hereof.~~

25. Subordination Agreement. Agent agrees to the following conditions governing amount and timing of payment of Agent's compensation under this Agreement:

(a) The monthly Management Fee shall be deemed earned in its entirety and accrued as an expense to the Building, but fifty percent (50%) of the amount payable in any month shall be reduced by the amount of any Operating Deficits (as defined below) for such month, and any unpaid amount shall be paid in the next succeeding month or months to the extent there is a surplus of Operating Income after all other Operating Expenses and Replacement Reserve Deposits (as such terms are defined below) and before any distributions to Owner's partners.

(b) "Operating Deficits" means any excess of Operating Expenses and Replacement Reserve Deposits (as defined below) over Operating Income, after application of any reserve for operating deficits (but only to the extent permitted under Owner's partnership agreement).

(c) "Operating Expenses" means all cash expended, set aside for any reserve (except the replacement reserve), or required for debts or expenses (including all fees and expenses of Agent's affiliates, provided that any fee based on a percentage of net operating cash flow shall be calculated prior to reduction of net operating cash flow by the amount of such fee), interest, and principal payments on indebtedness, capital expenditures, replacements, expansion, or other reasonable requirements of Owner's business (excluding cash expended from capital contributions or for capital transactions) related to the Building.

(d) "Operating Income" means all cash received from operations of Owner in the ordinary course of business (excluding capital contributions and net proceeds of capital transactions) related to the Building.

(e) "Replacement Reserve Deposits" means all funds required under Owner's partnership agreement to be deposited into a replacement reserve for the Building in

initial
Such fee shall be payable on the tenth (10) day of each month after the effective date of the Agreement and ending on the tenth (10th) day after the last month of the Agreement. The Agent will be paid a sum which is the larger of (\$2,000) per month or 4.75% of Gross Rents received in that month (the "Management Fee") to be paid. In addition, the Agent will receive for relocation and initial marketing services a fee in the amount of \$3,000 per month for the earlier of 18 months or the month in which 95% occupancy is achieved.

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order to achieve or restore the minimum reserve level specified for the applicable time period in the projections contained in the project investment proposal described in such partnership agreement.

26. Compliance with Laws. In the performance of its obligations under this Agreement, Agent shall comply with applicable local, state, and federal laws and regulations.

27. Term of Agreement. This Agreement shall be in effect for the period commencing as of the date hereof and ending one (1) year thereafter, subject to the following conditions:

(a) Owner may elect ^{two (2)} ~~one (1)~~ to extend this Agreement for one or more successive ~~one (1)~~ year periods, up to fifteen (15) years beyond the initial one (1) year term hereof, by notifying Agent at least thirty (30) calendar days in advance of the last day of the initial period hereunder or any annual extension period thereafter. No extension shall be for more than a ~~one (1)~~ year period.

(b) This Agreement may be terminated by ^{two (2)} mutual written consent of Owner and Agent provided that either party receives at least sixty (60) days written notice of termination.

(c) In the event Agent fails to perform any of its duties hereunder or to comply with any of the provisions hereof, Owner shall notify Agent in writing and Agent shall have ten (10) days thereafter within which to cure such default to the reasonable satisfaction of Owner, and if such default cannot be cured within such ten (10) day period, Agent shall have such additional time as may be necessary to cure the same provided that Agent demonstrates to the continuing satisfaction of Owner that it is diligently pursuing all necessary actions to cure such default and that the same will be cured within a reasonable time without damage or expense to Owner.

(d) In the event a petition in bankruptcy is filed by or against Owner or Agent, or in the event Owner or Agent makes an assignment for the benefit of creditors or takes advantage of any insolvency act, Owner or Agent may terminate this Agreement without notice to the other.

(e) Within five (5) days after the termination of this Agreement, Agent shall close all accounts and pay the balances or assign all certificates of deposit regarding the Building to Owner. Within ten (10) days after the termination of this Agreement, Agent shall deliver to Owner all plans and surveys of the Building in its possession and all books and records concerning the Building. Within thirty (30) days after the termination of this Agreement, Agent shall submit to Owner

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all reports required under paragraph 17 hereof to the date of such termination, and Agent and Owner shall account to each other with respect to all matters outstanding as of the date of termination.

28. Notices. All notices or other communications required or desired to be given under this Agreement shall be in writing and shall be delivered either personally or by U.S. certified mail, return receipt requested, which shall be deemed delivered upon personal delivery or two (2) business days after mailing, to the parties at the following addresses:

(a) Agent: RESCORP Realty
One East Wacker - Suite 2910
Chicago, Illinois 60601

(b) Owner: 62nd Street Limited Partnership
c/o Rescorp Development/One East Wacker - Suite 2900
Chicago, Illinois 60601

with a copy to Owner's Limited Partner:

Chicago Equity Fund 1991 Partnership
c/o Chicago Equity Fund, Inc.
24 West Erie Street
Chicago, Illinois 60610
Attention: William W. Higginson

In the event of a change in the mailing addresses stated above, any addressee whose address changes hereby agrees to give notice of a new or forwarding address within seven (7) days of the effective date of said change to the other addressee, whereupon subsequent notices shall be addressed to such new or forwarding address.

29. Amendment. This Agreement constitutes the entire agreement between Owner and Agent, and no amendment or modification thereof shall be valid or enforceable except by supplemental agreement in writing, executed by the parties hereto or the party to be bound thereby. In addition, no such amendment or modification shall be valid or enforceable without the prior written consent of Owner's Limited Partner.

30. Enforceability. The invalidity of any clause, part, or provision of this Agreement shall not affect the validity of the remaining portions thereof. Owner's remedies under this Agreement are cumulative, and the exercise of one remedy shall not be deemed an election of remedies nor foreclose the exercise of Owner's other remedies. No waiver by Owner of any breach of this Agreement shall be deemed to be a waiver of any other or subsequent breach. Owner or Agent may apply to any court, state or federal, for specific performance of this Agreement, for an injunction against any violation of this Agreement, or for such other relief as may be

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appropriate, since the injury arising from a default under any of the terms of this Agreement would be irreparable and the amount of damage would be difficult to ascertain.

31. Governing Law. The law of the State of Illinois shall cover the interpretation and enforcement of this Agreement.

32. 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 or the intent of this Agreement.

33. Execution of Counterparts. For the convenience of the parties, this Agreement may be executed in multiple counterparts, each of which shall constitute a complete original of this Agreement, which may be introduced in evidence or used for any other purpose without the production of any other counterparts.

34. Successors and Assigns. This Agreement shall inure to the benefit of and constitute a binding obligation upon Owner and Agent and their respective successors and assigns; provided, however, that Agent shall not assign this Agreement, or any of its duties hereunder, without the prior written consent of Owner. In the event Owner's current general partner or any successor general partner of Owner is removed as general partner in accordance with Owner's partnership agreement, any successor general partner selected in accordance with such partnership agreement shall have authority to act hereunder on behalf of Owner, and until such successor is selected Owner's Limited Partner shall have temporary authority to act hereunder on behalf of Owner.

(continued on next page)

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In Witness Whereof, the parties have executed this Agreement as of the date first written hereinabove.

Owner:

an Illinois limited partnership

By: _____
a _____ corporation,
general partner

By: _____
Title: _____

By: Ruth Malone

Attest:

Title:

[SEAL]

Agent:

RESCORP REALTY, Inc.
a Illinois corporation

By: W. E. M. (Agent), President
Title: _____

Attest:

Antreas L. Guery
Title: _____

[SEAL]

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EXHIBITS TO PROPERTY MANAGEMENT AGREEMENT

- Exhibit A: Management Plan
(as attached by Owner and Agent)
- Exhibit B(1): Leasing Guidelines
(as attached to this form Agreement)
- Exhibit B(2): Form of Lease
(as attached by Owner and Agent)
- Exhibit B(3): Form of Low-Income Lease Rider
(as attached to this form Agreement),
with attachments:
- Tenant Income Certification
(as attached by Owner and Agent)
- Employer Verification
(as attached by Owner and Agent)

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Chicago Equity Fund 1991 Model Form
Exhibit to Property Management Agreement - 9/1/91

EXHIBIT B(1)

LEASING GUIDELINES

A. Screening Process

1. Application. Each prospective Tenant must complete and sign a written application for lease, containing detailed personal information, previous residences and landlords for several years, information on employment, income, assets, and credit, proposed occupants (including ages) and pets, and references, and containing such other information and statements as will enable Agent to screen the prospective Tenant or as is otherwise proper and advisable for the management of the Building in accordance with professional standards. In conjunction with the lease application, each prospective Tenant must complete and sign a Tenant Income Certification in the form attached herewith as part of Exhibit B(3), where required under Paragraph 9 of the foregoing Agreement.

2. Interview. Agent shall interview each proposed adult occupant of the dwelling unit to be leased in order to help determine the character of such persons.

3. Employment. Agent shall verify the employment and income information given by the prospective Tenant, using the form of Employer Verification attached herewith as part of Exhibit B(3), where required under Paragraph 9 of the foregoing Agreement.

4. Credit. Agent shall have conducted a responsible credit agency check of the prospective Tenant, and shall personally check with one or more of the Tenant's previous landlords with respect to past rent payment history.

5. Housekeeping. Agent shall check with one or more previous landlords of the proposed Tenant and other occupants with respect to their ability to maintain an apartment in good condition and to abide by building rules. If verbal information is vague or questionable, Agent shall visit the proposed occupants' present residence(s).

6. Other. If advisable, Agent shall check other references and perform other screening of the proposed Tenant.

7. Approval. Agent shall approve the proposed Tenant's lease application only if, in Agent's best professional judgment, the proposed Tenant is qualified to pay rent when due and all proposed occupants are likely to maintain properly the dwelling unit, abide by reasonable rules, and otherwise be suitable occu-

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pants of the Building. Also, without Owner's prior written consent, Agent shall not approve any lease application unless the Tenant and other proposed occupants constitute a low-income household as defined for purposes of obtaining and maintaining a low-income housing tax credit for the Building under Section 42 of the Internal Revenue Code of 1986, to the full extent required under Paragraph 9 of the foregoing Agreement.

B. Lease

1. Application. Prior to leasing any dwelling unit, Agent shall have screened the prospective Tenant and all other proposed occupants in accordance with Section A hereof, and shall have approved the lease application as described above.

2. Lease Form. In leasing dwelling units, Agent shall use only the form of lease approved in writing by Owner from time to time, and the form of Low-Income Lease Rider attached hereto as Exhibit B(3) where required under Paragraph 9 of the foregoing Agreement, without material changes unless approved in writing by Owner.

3. Approved Rent. Agent shall not lease any dwelling unit for a rental amount other than as specified in the rent schedule included as part of Owner's approved operating budget or otherwise approved by Owner in writing.

4. Security Deposit. Agent shall require not less than one (1) month's security deposit, and shall require two (2) months' security deposit if circumstances warrant. Agent shall also, if advisable, collect a key deposit.

5. Named Tenant; Occupants, Pets. Each adult occupant of the dwelling unit shall be named as Tenant in the Lease, and shall be jointly and severally liable for rental payments. The Lease shall specify all other permitted occupants and pets, and it shall be a default if any non-permitted occupant resides in the dwelling units.

6. Term. Each Lease shall be for a term of one (1) year.

7. Substitution of Unit. In the event rehabilitation or other plans for the Building will require that the dwelling unit to be leased to the Tenant be vacated or made available to another Tenant during any portion of the Lease term, the Lease shall contain a provision for substitution of another dwelling unit and relocation of the Tenant.

8. Certain Lease Provisions. The form of lease to be approved by Owner shall contain detailed provisions in plain language concerning the following matters of practical importance, among others:

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- a. Condition of Unit. Acknowledgment of the condition of the dwelling unit as described in a unit inspection report;
- b. Default Charges. Tenant's liability for the following default charges: late rent payment charges; returned check charges; lost keys; damage to the dwelling unit or the Building not caused by ordinary wear and tear; missing property, fixtures, or equipment; and costs of rent collection and eviction.
- c. Security Deposit. Procedures concerning deductions from and return of security deposit, with interest to the extent required by law, and any key deposit.
- d. Utilities and Other Charges. Tenant's responsibilities concerning utility services to the dwelling unit, other services to the dwelling unit, other services provided by Owner or Agent, and any parking or other charges.
- e. Maintenance. Maintenance duties of Tenant and of Owner, respectively, separately listed.
- f. Alterations. Requirement of Owner's or Agent's consent to alterations of the dwelling unit, listing examples, and to charges of keys and locks.
- g. Use Restrictions. Restrictions on Tenant's use of the dwelling units, including hazards, noise, nuisance, etc.
- h. Changes. Tenant's obligation to report changes in Tenant's household or employment status.
- i. Rules. Tenant's and all other occupants' obligation to comply with any rules and regulations issued by Owner or Agent. A copy of any such rules shall be attached to the Lease.
- j. Other. Other provisions customarily included in apartment leases or advisable for the Building.
- k. Attachments. Acknowledgment by Tenant of any attachments to the Lease.
9. Execution. Agent shall execute each Lease as agent for Owner.

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1. Passages, public halls, stairways, landings shall not be obstructed or be used for children's play or for any other purpose than for ingress to and egress from the building or apartments, nor shall children be permitted to congregate or play in or around the common interior areas of the building. All personal possessions must be kept in the Apartment.
2. No additional locks or other similar devices shall be attached to any door without Lessor's written consent.
3. Lessee shall not install or operate any machinery, refrigeration or heating devices or use or permit onto the premises any flammable fluids or material which may be hazardous.
4. All furniture, supplies, goods and packages of every kind shall be delivered through the rear or service entrance, stairway or elevator. Any damage caused to the common areas of the building by Resident moving in or out shall be paid for by the resident.
5. Baby carriages, bicycles, sleds and the like shall not be allowed to be stored in the lobbies, public halls, passageways or courts of the building.
6. Laundry and drying apparatus shall be used in such manner and at such times as the Owner may clearly post in such area. Clothes washers and dryers, and dishwashers, unless installed by Lessor, cannot be kept in the Apartment.
7. No sign, signal, illumination, advertisement, notice or any other lettering or equipment shall be exhibited, inscribed, painted, affixed or exposed on or at any window or on any part of the outside or inside of the apartment or the building without prior written consent of the Owner.
8. No awnings or other projections including television, radio antennas or wiring shall be attached to or extend from or beyond the outside walls of the building or installed on the roof of the building. Air conditioning may only be installed with the prior written approval of the Owner.
9. The Resident shall not alter any lock or install a new lock or a knocker or other attachment on any door of the Apartment without the written consent of the Owner.
10. No waste receptacles, supplies, footwear, umbrellas or other articles shall be placed in the halls, on the staircase landings, nor shall anything be hung or shaken from the windows, balconies or porches or placed upon the outside window sills.
11. No musical instrument, T.V. or radio shall be played at any time in such manner as to disturb or annoy other occupants of the Building or neighboring buildings. Nor shall other noises be made which will disturb or annoy occupants of the Building. Operation of electrical devices which interfere with radio or television reception is not permitted.
12. The toilets, basins and other plumbing fixtures shall not be used for any purpose other than for those for which they were designed; no sweeping, rubbish, rags or any other improper articles shall be thrown into them. Any damage resulting from misuse of such facilities shall be paid for by the Tenant.

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LEASE ADDENDUM NO. 1

ADDITIONAL AGREEMENTS AND COVENANTS (Including DECORATING AND REPAIRS)
If any.

1. The undersigned certifies that they have completed the Income Computation Certificate attached hereto and that the statements contained therein are complete and accurate. Should the undersigned misrepresent any fact material to the determination of the Tenant's income, the Lessor shall be authorized to immediately terminate the Tenant's tenancy.
2. The family income and other eligibility requirements are substantial and material obligations of Tenant's tenancy, and Tenant will comply with all requests for information with respect thereto from Lessor, the City of Chicago, Illinois or the Department of Housing and Urban Development, and 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 Tenant's tenancy.

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TENANT(S) SIGNATURE

LEASE ADDENDUM NO. 2

EXHIBIT B(3)

LOW-INCOME LEASE RIDER

THIS RIDER, AN INCOME CERTIFICATION, AND AN EMPLOYER VERIFICATION MUST BE OBTAINED FROM ALL TENANTS OF APARTMENTS FOR WHICH LOW-INCOME HOUSING TAX CREDITS ARE REQUIRED.

Tenant: _____
(If there is more than one adult occupant, each one must complete and sign a rider and attachments.)

Lease Date: _____

Apartment: _____

Building Address: _____

The undersigned tenant hereby certifies and agrees as follows:

1. Income Certifications. My attached income certification is true, correct, and complete.
2. Employer Verification. The landlord or property manager has my permission to verify my income from my employer, using the attached form.
3. False Statements. If my income certification and/or any lease application submitted by me is false, the landlord or property manager will have the right to terminate my lease and take possession of my apartment immediately.
4. Maximum Household Income. If the current COMBINED TOTAL INCOME FOR ALL HOUSEHOLD MEMBERS, as stated on the attached income certification or as otherwise verified, exceeds the maximum allowable household income for my household size as set forth in the table below, the landlord or property manager will have the right to terminate my lease and take possession of my apartment immediately.

<u>Household Size</u>	<u>Maximum Allowable Household Income</u>
1 Person	\$19,600
2 Persons	\$22,500
3 Persons	\$25,300
4 Persons	\$28,100
5 Persons	\$30,300
6 Persons	\$32,600
7 Persons	\$34,800

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LEASE ADDENDUM NO. 2

(Attachment to Exhibit B(3) of Property Management Agreement)

RENANT INFORMATION CERTIFICATION

Building Name _____ Initial Certification _____
 Assigned Unit No. _____ Bedroom Size _____ Annual Recertification _____

PART 1 - HOUSEHOLD COMPOSITION

Member No. *	Last Name	First Name	Relationship to Head	Age	Occupation	Full-time Student, Disabled, Handicapped?
Head						
2						
3						
4						
5						

PART 2 - PROJECTED HOUSEHOLD INCOME FOR NEXT TWELVE-MONTH PERIOD**

Member No. *	Net Self-Gross Salary or Wages	Rental Inc. Employment Income	Retirement, Interest, Stock Div.	Unemployment, Pension, Annuities	Alimony, Social Security	Disability Compensation	Child Welfare Support	Other
Head								
2								
3								

COMBINED TOTAL INCOME FOR ALL HOUSEHOLD MEMBERS: \$ _____

- * Attach additional sheets if necessary to provide information on additional household members.
- ** Give projections of future household earnings for the next twelve-month period based on current earnings or benefits. Income must include at least that percentage of net family assets based on HUD-determined passbook savings rate. Include under "Other": withdrawal of cash or assets exceeding amount invested. Do not include: (1) income from family members under age 18; (2) payments for care of foster children; (3) medical expense reimbursements; (4) amount of educational scholarships used for tuition or books; (5) income of live-in aide who provides essential care to a family member; (6) lump sum inheritances, insurance, or worker's compensation settlements for bodily injury or property damage; (7) HUD training program payments; or (8) gifts.

PART 3 - TENANT'S CERTIFICATION

I/we certify that all information I/we have provided for the purpose of completing this form is true and complete to the best of my/our knowledge and belief.

Head of household _____ Date _____ House/Co-head _____ Date _____

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LEASE ADDENDUM NO. 2

8 Persons	\$37,100
9 Persons	\$39,300
10 Persons	\$41,600

I understand that the landlord and property manager are relying on my income certification in accepting me as a tenant, and that the landlord will be seriously harmed if my income does not qualify the apartment for low-income housing tax credits. This rider shall be considered part of my lease.

Date: _____, 19__

Tenant:

(Signature)

To Be Attached:

- A. Tenant Income Certification
- B. Employer Verification Form

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- 13. There shall be no cooking or baking done in or about the Apartment except in the kitchen. COOKING ON A BARBECUE OR OTHER SIMILAR EQUIPMENT ON A PORCH, BATHROOM, TERRACE, BALCONY OR GANGWAYS ALONGSIDE BUILDINGS IS EXPRESSLY FORBIDDEN.
- 14. Occupancy of the Apartment, except with the Lessors written prior consent, is strictly limited to those persons named in the Apartment Lease. Visitors are not permitted for more than fourteen (14) consecutive days.
- 15. Names shall be displayed on doors or mailboxes only in the uniform manner prescribed by Owner.
- 16. The use of garbage receptacles shall be in accordance with posted signs and only garbage and refuse placed in a securely wrapped and sealed plastic kitchen size garbage bag may be placed in garbage receptacles.
- 17. Personal property of Resident shall not be placed or left in lobbies, hallways, or common areas, and is to be kept in the Apartment or in other storage areas, if provided.
- 18. No motorcycles are to be stored in the Apartment or common areas at any time.
- 19. No dogs or cats are permitted, except with the Lessor's prior written consent. No other animals, including reptiles, birds, monkeys, snakes, turtles, hamsters or gerbils are permitted. Tropical fish, limited to one 20 gallon tank, are permitted.
- 20. No liquid or semi-liquid filled furniture of any kind is permitted in any Apartment.
- 21. Resident children and their guest children under 12 years of age must be supervised by an adult over 18 at all times.
- 22. Utilities for the Apartment (gas and electric) must be maintained in service to the apartment at all times. Failure to so maintain such service shall entitle the Owner to terminate the Apartment Lease.

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Resident _____
 Date _____

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NAME:

NAME:

AFT. NO.

ADDRESS OF PREMISES:

ADDRESS:

CITY:

CITY:

In consideration of the mutual agreements and covenants herein stated, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, for a private dwelling, the Apartment designated above, together with the fixtures and appliances belonging thereto, for the above Term.

ADDITIONAL COVENANTS AND AGREEMENTS (if any).

SEE ATTACHED ADDENDA:

- #1
- #2 - Exhibit B(3)
- #3 - Rules & Regulations

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LESSEE

LESSOR

(SEAL)

(SEAL)

(SEAL)

(SEAL)

LEASE COVENANTS AND AGREEMENTS

1. RENT: Lessee shall pay to the Lessor or Lessor's agent the monthly rent set forth above on or before the first day of each and every month in advance at Lessor's address stated above or such other address as Lessor may designate in writing. The time of each and every payment of rent is of the essence of the Lease and the obligation to pay rent is an independent covenant and cannot be deducted or set off.

2. LATE CHARGES: The monthly rent shall be increased \$10.00 if paid after the 5th of the month. Rent shall be considered received, if mailed, on the date of receipt.

3. SECURITY DEPOSIT: Lessee has deposited with Lessor the security deposit as set forth above, to be retained by Lessor to ensure that Lessee shall fully perform each and every term and obligation provided in this Lease. If Lessee fully performs each and every obligation as provided in this lease and pays all sums due to Lessor, then Lessor, after the Lessee has surrendered possession of the premises and has delivered the keys thereto, shall refund said deposit to Lessee, including interest as is provided by law. If Lessee has failed to perform or comply with any of the provisions in this Lease, then Lessor shall deduct any damages from the security deposit. The security deposit shall not be treated as an advance payment of rent, and Lessee may not apply the security deposit as rent.

4. POSSESSION: If Lessor cannot give Lessee possession on the date fixed for commencement of the term, this Lease shall remain in full force and effect, unless Lessor upon written notice terminates the lease, and the rent shall be abated until such time as the premises are available for Lessee's occupancy.

5. APPLICATION: The Lessee's application and all the representations contained therein are incorporated as a part of this Lease. Lessee warrants that all the information contained in the application is true, and that if any of said information is false, Lessor may terminate this Lease.

6. CONDITION OF THE PREMISES: Lessee has examined the premises prior to accepting same and prior to the execution of this Lease, and Lessee is satisfied with the physical condition thereof, including but not limited to the heating, plumbing and smoke detectors and taking possession shall be conclusive evidence of Lessee's receipt thereof in good order and repair. No promises as to condition or repair have been made by Lessor or his agent which are not herein expressed, and no promises to decorate, repair or modify the premises, which are not contained herein, have been made by Lessor or his agent.

7. LESSEE TO MAINTAIN: Lessee shall keep the premises and the fixtures and appliances therein in a clean, sightly and healthy condition, and in good repair, and in accordance with any and all ordinances in such cases made and provided, at Lessee's own expense, and upon the termination of this lease, for any reason, shall yield and return the same back to Lessor in as good condition of cleanliness and repair as at the date of the execution hereof, reasonable wear and tear excepted. Lessee shall make all necessary repairs to the premises whenever damage to the same has occurred or repairs are required, and shall replace all broken glass and fixtures. If the premises shall not be kept in good repair and in a clean, sightly and healthy condition by Lessee as aforesaid, Lessor or his agents may enter the same and may replace the premises in the same condition of repair, sightliness and cleanliness as existed at the date of execution of this Lease; Lessee agrees to pay Lessor for all expenses incurred by Lessor in replacing the premises in that condition. Lessee shall not cause or permit any waste, misuse or neglect to occur to the water, gas, utilities, or any other portion of the premises.

8. USE OF PREMISES: The premises shall be occupied solely for residential purposes by Lessee and those persons listed in the Application of the Lease. Neither Lessee nor any persons residing with or visiting Lessee shall suffer, perform or permit any act or practice that may damage the reputation of the Building or be injurious to the Building and operation thereof, or be disturbing to other tenants, be illegal, immoral, or increase the rate of insurance on the Building. Lessee shall be responsible for the conduct of all persons residing with, or visiting Lessee.

9. SUBLET OR ASSIGNMENT: Lessee shall not sublet the premises or any part thereof, nor assign this Lease, without, in each case, prior written consent of Lessor which consent shall not be unreasonably withheld.

10. NO ALTERATIONS: Lessee shall not make any alterations to the premises nor install any appliances, locks or other equipment of any kind without the prior written consent of Lessor.

11. ACCESS: Lessee shall allow Lessor and his agents free access to the apartment at all reasonable times, to exhibit, repair or inspect the same and shall allow Lessor and his agents to display "For Rent" notices on the premises.

12. HEAT AND WATER: Lessor shall furnish hot and cold water; if heating is under the control of the Lessor, shall also furnish heat in reasonable amount at reasonable hours when necessary, except when prevented by cause beyond Lessor's control or when the water and heat systems are being repaired. Lessor shall at all times maintain the temperature at a minimum of 45 degrees and shall be responsible for all damages result from the failure to do so.

13. RIGHT TO RELET: If Lessee shall remove a substantial portion of his personal property or otherwise abandon or vacate the premises, Lessor may immediately re-let the premises upon terms as Lessor may deem practicable; or if the premises become vacant by reason of Lessee's breach or if this Lease has been terminated by reason of Lessee's breach, or Lessee has been evicted, Lessor may relet the premises, and Lessee shall be liable and pay for any and all expenses of reletting and losses to the end of the term hereinabove set forth. Tenant's obligation to pay rent during term or any extension thereof shall continue and shall not be waived, relet or terminated by the service of a five-day notice, demand for possession, notice of termination of tenancy, the filing of a forcible entry and detainer action, or judgment for possession, or any other act resulting in termination of Lessee's right of possession.

14. FORCIBLE DETAINER: If Lessee defaults in the payment of rent or any part thereof, Lessor may distrain for rent and shall have a lien on Lessee's property for all monies due Lessor, or if Lessee defaults in performance of any of the covenants or agreements herein contained, Lessor or his agents, at his option, may terminate this Lease, and, if abandoned or vacated, may re-enter the premises. Non-performance of any of Lessee's obligations shall constitute a default and forfeiture of this lease, and Lessee's failure to take action on account of Lessee's default shall not constitute a waiver of said default.

15. NOTICES: Any demand or notice may be served by delivery in person to the Lessee, or by leaving the same with some person above the age of twelve years, residing on or in possession of the premises; or by sending a copy of said notice to the Lessee by certified mail, return receipt required; or by posting the same on Lessee's door to the premises, if no one is in possession of the premises.

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MANAGEMENT PLAN

Introduction

This plan defines the program scope of management services for a proposed apartment complex to be located in the Woodlawn area of Chicago. The 62nd Street Joint Venture is the Sponsor; and RESCORP Realty, Inc. is the Management Agent.

This Management Plan will delineate the responsibilities of the Owners and Management Agent and serve as a statement of the policies and procedures which will govern management of the property from acquisition through post-rehabilitation occupancy.

Management Phases

The apartment complex will result from the acquisition and extensive rehabilitation of ten (10) buildings containing approximately 199 units. Upon completion, the development will consist of 162 units, all of which will be rented to qualified applicants with Section 8 Vouchers or Certificates.

The rehabilitation program will be accomplished over a fifteen month period, with acquisition of properties scheduled to occur in advance of the initial closing of the mortgage loan. It is anticipated that only two buildings will actually be vacant upon acquisition. All other properties will be occupied, requiring the systematic relocation of residents in order for construction to begin.

This condition requires that the Management Plan give special consideration to those distinct types of activities needed at the Project during the pre-rehabilitation phase as opposed to the post-rehabilitation phase. Throughout the Plan, these distinctions are noted as appropriate.

Facilities

The 62nd Street Joint Venture will provide space for management staff and operations upon acquisition of the properties. Initially, management offices will be temporarily located in vacant units within the

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Project. Those offices will also house the relocation/marketing staff. The offices will be located in a building easily accessible by residents and subject to the construction schedule and the approval of RESCORP Realty, Inc.

The temporary offices will contain desks, telephones, restroom facilities, and filing space, all supplied by the Owners.

The permanent management offices will be constructed during the project rehabilitation. Upon completion, marketing and management activities will be conducted from those offices.

The management offices will be designed in close consultation with RESCORP Realty, Inc. to facilitate efficient management of the development. In addition, the offices will be adequate in size and provide accessibility via a security system independent of that for residents.

Role and Responsibility of Management Agent

The role of the Management Agent is to produce the highest possible net operating income over the economic life of the property, consistent with neighborhood revitalization objectives. In general, the services to be performed by RESCORP Realty, Inc. are detailed in the attached Management Agreement, incorporated by references with respect to all parties.

Specific responsibilities of The 62nd Street Joint Venture and RESCORP Realty, Inc. are as follows:

1. The 62nd Street Joint Venture will be responsible for:
 - (a) Monitoring implementation of the Plan and coordinating it with construction and other revitalization activities;
 - (b) Providing RESCORP Realty, Inc., upon acquisition, with a listing of all buildings and residents, a schedule detailing the status of all security deposits, accounts receivable, accounts payable, vendor contracts, and personnel, if any;

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- (c) Providing office space for RESCORP Realty, Inc. and site personnel;
 - (d) Payment of salaries and fringe benefits for all site personnel as approved in the operating budget;
 - (e) Providing funds for payment of all expenses of the Project in excess of operating income;
 - (f) Reviewing relocation activities consistent with the Relocation Plan;
 - (g) Coordinating decisions with regard to repairs in the existing buildings;
 - (h) Approving the employment by RESCORP Realty, Inc. of a Site Manager for the development;
 - (i) Insuring that RESCORP Realty, Inc is kept informed on the progress of construction ;
 - (j) Performing all responsibilities set forth in the Agreement.
2. RESCORP Realty, Inc. (Agent) will be responsible for:
- (a) Pre-Rehabilitation Period
 - (i) Providing an efficient transition from the previous management agent to RESCORP Realty, Inc;
 - (ii) Providing efficient management services for occupants of the development prior to relocation consistent with the Management Agreement;
 - (iii) Proceeding with eviction proceedings against those occupants who are delinquent with rent payments;
 - (iv) Coordinating the relocation of residents as provided in the Relocation Plan;

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- (v) Assisting in screening and selecting residents during the Preference Marketing Phase as detailed in the Marketing and Relocation Plans;
- (vi) Recruiting, hiring, and training of site personnel, detailed later;
- (vii) Providing supervision of the Site Manager by a Property Supervisor;
- (viii) Notifying residents, vendors, and utilities of a change in management;
- (ix) Notifying present maintenance personnel of a change in management and providing information to respective unions;
- (x) Preparing leases with a 60-day cancellation clause for all residents in occupancy on a month-to-month basis;
- (xi) Maintaining accurate accounting and office records, as detailed later;
- (xii) Submitting reports in a timely manner;
- (xiii) Providing information to residents with respect to management services, office hours, emergencies, and collection and eviction procedures;
- (xiv) Meeting with 62nd Street Partnership and lender representatives from time to time as requested.

(b) Post-Rehabilitation Period

- (i) Performing all of the services consistent with good management practice as outlined in the Management Agreement and this Plan;

- (ii) Supervising and administering marketing activities, including the retention and training of rental agents at the site and coordinating resident selection procedure in accordance with the approved Marketing Relocation and Resident Selection Plans.

Personnel

(a) Staffing Pattern

It is projected that upon completion, the Project will employ 6 people as follows:

<u>Position</u>	<u>Number</u>
Site Manager	1
Assistant Site Manager	1
Maintenance Person	1
Janitors	2
Part-time Janitor	1
Total	6

In addition, RESCORP Realty, Inc. will provide supervisory services to the Project by the assignment of a Property Supervisor. Administrative support services (accounting, record-keeping, etc.) will be provided by RESCORP Realty, Inc.'s central staff.

(b) Selection

Selection of persons to work at the Project will be on the basis of equal employment opportunity, utilizing local resources and residents to the extent possible.

It is anticipated that upon acquisition, some of the janitors employed by the previous owners will elect to work for the Project. Each janitor will be evaluated and a decision will be made as to his or her retention in accordance with procedures of the appropriate labor union.

62nd Street Partnership reserves the right to approve the selection of a Site Manager and Relocation/Marketing Director for the Project. With respect to all other positions, RESCORP Realty, Inc. has

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full authority and responsibility to hire and train all personnel budgeted for the development. RESCORP Realty, Inc. will have sole authority to discharge personnel, including the Site Manager, in accordance with its own written policies and procedures. The Agent will promptly notify the Owner of key personnel changes.

It is imperative that the Site Manager be an experienced property manager. Recruitment efforts will be geared to employing a person who is designated ARM or equivalent.

All applicants for positions at the Project will complete appropriate application forms. Following interviews, references will be checked and credit reports will be reviewed. Employment decisions will be based on experience, capability, and a perceived ability to work well with residents, owners, and management.

(c) Job Descriptions

Job descriptions have a limited utility in property management because they are often too restrictive. Management personnel are called upon to perform a variety of duties, some of which can't be anticipated or formalized into a job description. However, there is a need to provide personnel with some statement which delineates at least in a broad way areas of responsibilities. Job description statements for all positions associated with the project are attached to this Plan.

(d) Benefits

Administrative employees working full-time at the project are eligible for the following fringe benefits:

- (i) Group medical, dental, and disability insurance coverage through RESCORP Realty, Inc.'s group policies;
- (ii) Ten paid vacation days per year;
- (iii) Ten paid sick days per year.

Maintenance and janitorial staffs will receive those benefits specified in their labor contracts.

The Federal Wage and Hour Law will be observed with respect to each covered employee.

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(c) Training

All employees will go through a thorough training program conducted by RESCORP REALTY, INC. prior to beginning work. The purpose of this training exercise is to familiarize the new employees with RESCORP REALTY, INC.'s policies and procedures contained in its operating manual. New administrative staff will also participate in REGULATORY agencies monthly training program.

Additional professional development activities will be presented to the staff in an effort to improve performance and job satisfaction.

(f) Personnel Policies

(i) Hours

The work period is forty hours per week. The work schedule will be developed around the needs of the development. Tentative hours are as follows:

<u>Day</u>	<u>Management</u>	<u>Marketing</u>	<u>Maintenance</u>
Mon	9 - 5	10 - 6	8:30 - 4:30
Tue	9 - 5	10 - 6	8:30 - 4:30
Wed	9 - 5	Closed	8:30 - 4:30
Thu	9 - 5	10 - 6	8:30 - 4:30
Fri	9 - 5	10 - 6	8:30 - 4:30
Sat	9 - 12	10 - 4	8 - 12 Swing Shift
Sun	Closed	10 - 4	On Call

(ii) Lunch Breaks

The Site Manager will establish a fixed lunch period of one hour per day for employees.

(iii) Dress

Office personnel are expected to dress in appropriate business attire. Maintenance, janitorial, and grounds personnel must wear uniforms at all times while working, except in the case of emergency call-outs. The project will furnish each employee with uniforms from a vendor which provides cleaning and repairing.

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(iv) Tools

Maintenance personnel are required to provide their own hand tools. Other tools will be provided as equipment of the property.

(v) Gifts/Tips

Employees are forbidden to accept any gifts, kickback or commission, of any kind from any applicant or from a vendor or contractor doing business or seeking to do business with the Project.

Employees may not accept tips or gifts from residents. Holiday tipping and gift-giving may be permitted under controlled conditions where all employees share and individual residents are not identified.

(vi) Socializing with Residents

Employees are not permitted to socialize with residents of the Project site. It is necessary to preserve the staff member's objectivity in making judgments and to avoid a perception of favoritism by other residents.

(vii) Evaluation

At least once a year, the supervisor is required to submit a written report on the work being performed by each employee in his charge. In the narrative report, the supervisor is expected to cover the employee's attitude, performance, relationship with others, job skills, special interest outside of work, personal traits bearing on the job, and future outlook.

These reports will be reviewed by the supervisor's superior before discussion with the employee. The supervisor is expected to meet with the employee to review his/her performance and establish a program for correction of any deficiencies.

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(viii) Salary Wage Adjustments

Cost-of-living adjustments, if any, will be made on the first day of the fiscal year for administrative employees. Maintenance and janitorial staff will receive salary adjustments as specified in their labor contract.

(ix) Incentives and Bonuses

Random bonuses geared to short-range goals may be offered to employees of the Project from time to time. Payment may be in dollars, merchandise, commendations or trips.

(x) Holidays

Certain days will be recognized as paid holidays for employees. The specific holidays to be observed and the dates of their observation will be published annually at the beginning of each calendar year, subject to the approval of THE 62ND STREET JOINT VENTURE.

Generally, maintenance staff at skeleton strength will be maintained on all holidays.

(xi) Vacation

(a) Administrative Employees

All full-time employees are entitled to receive vacation time with pay. Temporary and part-time employees are not eligible for paid vacations, but may be eligible for unpaid leave.

An eligible employee may earn one day of vacation time for each full month of employment, up to a total of 10 days. After 5 years, an employee is entitled to 3 weeks vacation.

Site personnel must schedule their vacation leave with the Site Manager and request his or her approval of the dates at least two weeks in advance.

If an employee resigns or is terminated, he or she will receive payment of accrued vacation leave.

(b) Maintenance and Custodial Personnel

Maintenance and custodial personnel are eligible for vacation leave in accordance with the contracts negotiated with their respective unions.

However, they must schedule their vacation leave with the Site Manager and request his or her approval of the dates at least two weeks in advance.

(xii) Leave

(a) Sick and Personal Leave

Paid sick or personal leave of up to ten days per year is authorized for all regular full time employees. This amount is accrued on the basis of one day per month up to a maximum of ten days per year for the first year, thereafter it is credited at the beginning of each year. There will be no carry over of sick or personal leave into the next year.

Sick leave for maintenance and janitorial staff will be in accordance with their union contracts.

(b) Disability Leave/Maternity Leave

For periods beyond the allowed paid sick leave, the Project will grant unpaid leave of up to six months for those full time employees requiring a leave for medical or maternity reasons but wishing to return to their former position. To be eligible, the employee must submit a letter requesting such leave, specifying the reason for the request (including a doctors statement) and indicating the anticipated date of return. The Project must be notified by the employee at least two weeks prior to the actual date of return to full time status.

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(c) Miscellaneous Leave

For administrative personnel, leaves of absence of up to thirty days, either with or without pay, will be granted to full-time employees for a variety of reasons. The Project will grant paid leave for the following purposes:

Death of a member of the immediate family (parent, spouse, grandparent, child, sibling, or mother- or father-in-law)	2 days
Marriage	2 days
Jury duty	duration of service

Maintenance personnel will receive leave in accordance with their union contracts.

With the approval of the President of the management company and THE 62ND STREET JOINT VENTURE, an employee may be granted paid or unpaid leave due to compelling person circumstances not listed above.

Resident Selection/Marketing

(a) Objectives

The Marketing Plan details more precisely the specific marketing objectives for the development.

(b) Selection Criteria

The Owners, with REGULATORY AGENCIES approval, will develop written criteria governing the selection of residents for the Project from among those eligible. The criteria will be responsible to the marketing objectives established for the Project and will be reviewed by legal counsel for consistency with applicable federal and state law and the requirements of the Section 8 program.

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The criteria will give priority to site occupants who will have to move in order for their buildings to be renovated. "Priority" for this group is defined as having the first opportunity to apply for units in the development. (See attached Selection Criteria) In all other respects, applications from this group will be processed routinely and will be evaluated against the established selection criteria.

During the open marketing period, preference will also be given to persons and families displaced by governmental action, by urban renewal, or by natural disaster. The applicant must have a section 8 certificate or voucher from CHA verifying displacement. Eligible applicants in this class will be advanced to the top of the waiting list and will be given priority over others. However, the applicant must meet all selection criteria established for the Project.

(c) Application Process

Applications will only be taken at the site by the rental agent who will interview the person who will be signing the lease. Prior to completing an application form with a potential applicant, the rental agent will complete a Traffic Card on the individual. The Traffic Card requests general information regarding family size and income, in addition to name and address.

If the rental agent determines that the candidate could become eligible, an application form will be completed with the prospect, with a note to that effect on the Traffic Card. If the rental agent determines that the prospect could not be a candidate, the reason will be noted on the Traffic Card. The card will then be filed alphabetically.

With respect to all applications received, the following actions will be taken simultaneously:

- (i) A credit report will be ordered.
- (ii) Requests for verifications of income and bank accounts will be mailed
- (iii) Child care will be verified for children under the age of 13 if their parents are employed

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- (iv) A home interview will be set up and the interviewer will require that all members of the family be present for the interview.

Upon receipt of the above information, it will be assembled in the applicant's file. Each week at a pre-scheduled time, all applicant files which are complete will be reviewed jointly by the Management Agent, Marketing Agent and Representative of the Owner. Based upon these evaluations, applicants will be accepted, rejected, or placed on a waiting list.

Applicants will be notified promptly in writing of the disposition of their application. Applicants who are rejected will be given a 15-day period during which they may schedule an appointment to review their file with a rental agent. While the file will not be given to the applicant, the contents will be discussed with him or her to make certain that it contains no errors with respect to the information forming the basis of the rejection.

The file of any rejected applicant who presents additional information will be reviewed a second time by the Resident Selection Committee. Applicants will be notified promptly of the final disposition of their case.

- (d) A security deposit equal to one month gross family contribution or \$50.00, whichever is larger, will be collected from residents participating in the Section 8 program. Interest earned on the security deposit accounts will be credited to operating income of the Project with five percent being paid or credited to resident's account annually.

(e) Personnel

The Management Agent is responsible for supervising rental relocation personnel at the site in the discharge of their responsibilities. The Marketing Agent will train the rental agents, monitor their performance from time to time, and report to the management company any deficiencies or suggestions for improvements.

Rent Collection Policies

(a) Leases

All units in the development will be rented on the basis of a lease approved by REGULATORY AGENCIES. There will be no month-to-month leases or tenancies-at-will permitted at the development, except during the interim period.

(b) Rent Payment

Each resident will receive a monthly rent statement with return envelope addressed to the development lock box for use in making rent payments. Additional envelopes will be available at the management office.

(c) Penalty

Rent is due on the first day of the month. In the interest of discouraging late payments, no penalty will be charged for rent received after the due date.

(d) Five-Day Notices

At the end of business on the fifth day of the month, the central management office will prepare five-day notices for those residents for whom rent has not been received. On the first working day thereafter, the Site Manager will deliver five-day notices to all residents on the delinquency listing.

(e) Personal Follow-up

The site management will review the accounts of any resident if the resident feels an error has been committed.

Five-day notices may be withdrawn only upon receipt of the total amounts due, including late charges.

(f) Referral to Attorneys

On the day following expiration of the five-day period, the Site Manager will confer with the Property Manager with respect to each delinquent account. Those accounts for which satisfactory