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THIS INSTRUMENT WAS PREPARED BY
~~AND AFTER RECORDING SHOULD BE RETURNED TO:~~

Diane Corbett
Illinois Housing Development Authority
401 North Michigan Avenue
Suite 900
Chicago, Illinois 60611

. DEPT-01 RECORDING \$65.00
. T#3333 TRAN 5370 05/18/92 15:23:00
. #3362 + C *--92-342609
. COOK COUNTY RECORDER

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REGULATORY AND LAND USE RESTRICTION AGREEMENT

THIS REGULATORY AND LAND USE RESTRICTION AGREEMENT (this "Agreement") is made and entered into as of this (2) day of May, 1992, by and among AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as trustee ("Trustee") under a Trust Agreement dated April 20, 1990 and known as Trust No. 110859-09, SHOREWOOD LIMITED PARTNERSHIP, an Illinois limited partnership, having its principal office at c/o City Lands Corp., 5100 W. Harrison, Chicago, Illinois ("Beneficiary") (Trustee and Beneficiary are sometimes collectively referred to as "Borrower"), and the ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Authority"), a body politic and corporate established pursuant to the Illinois Housing Development Act, Laws 1967, p. 1931, constituting Chapter 67-1/2, Section 301, et seq., Illinois Revised Statutes, as amended and supplemented.

WITNESSETH:

WHEREAS, Trustee is the owner of certain real property located at 1962 E. 73rd Place, 1734-40 E. 72nd Street, 1500-06 E. 67th Place, 1501-03 E. 69th Place, 1500-02 E. 67th Street, all in Chicago, Cook County, Illinois, which real property is legally described in Exhibit A attached hereto and by this reference made a part hereof (the "Real Estate");

WHEREAS, Beneficiary is the sole beneficiary of Trustee and as such stands to materially benefit from the making of the Loan (as hereinafter defined).

WHEREAS, Authority has agreed to make a loan to Trustee in the amount of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) (the "Loan"), which Loan is evidenced by a certain Installment Note dated as of the date hereof from Trustee in favor of Authority (the "Note") and secured by, among other things, a certain Fourth Mortgage and Security Agreement dated as of the date hereof from Trustee and Beneficiary in favor of Authority (the "Mortgage") (this Agreement, the Note, the Mortgage and the other documents evidencing, securing, or entered into or to be entered into in connection with the Loan are hereinafter collectively referred to as the "Loan Documents");

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

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WHEREAS, as an inducement to Authority to make the 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 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:

1. Incorporation. The foregoing recitals are made a part of this Agreement as fully and with the same force and effect as if repeated herein at length.

2. Act and Regulations. Borrower agrees that at all times its acts regarding the Real Estate and the improvements thereon (together referred to hereinafter as 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. Representations, Warranties, Covenants, and Agreements. Borrower further represents, warrants, covenants and agrees that:

a. Borrower shall limit occupancy of at least fifty-one percent (51%) of the units in the Development to those persons and families whose income, at the time of initial occupancy, does not exceed the income limits for Very Low Income Tenants, as defined in Paragraph 9 of this Agreement, and Borrower shall limit occupancy of the remaining units of the Development to those person and families whose income, at the time of initial occupancy, does not exceed the income limits for Low Income Tenants, as defined in Paragraph 9 of this Agreement;

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 executed by Borrower and approved by Authority, a copy of which is attached hereto as Exhibit B and made a part hereof by this reference, as it may be amended from time to time with the prior written consent of Authority;

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, of the Management Plan, and of the Management Agreement by and between Borrower and City Lands Corp., as such documents are amended from time to time hereinafter with the prior written approval of Authority. 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 Authority;

d. On forms approved by Authority, Borrower shall obtain from each prospective Very Low Income Tenant and Low Income Tenant prior to

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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 Authority;

e. In the manner prescribed by 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 Authority;

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;

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 Authority), with industry practices in Illinois, and with applicable rules, contracts, agreements, procedures, guides and other requirements of Authority provided to Borrower in writing;

m. Borrower shall expeditiously complete any rehabilitation of the Development;

n. Borrower agrees to abide by the terms and conditions of the Relocation Plan dated March 2, 1994 executed by and between Borrower and the City of Chicago and accepted by Authority, a copy of which is attached hereto as Exhibit E and made a part hereof by this reference, as it may be amended from time to time with the prior written consent of Authority; and

o. Within thirty (30) days of the end of each calendar year Borrower shall certify to 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 Authority of its failure to comply and the corrective action Borrower is taking or has taken.

COOK COUNTY CLERK'S OFFICE

4. Acts Requiring Authority Approval. Except as permitted pursuant to 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; or

f. Prepay, in part or in whole, the 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 tenable 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 Authority or its agent or representative at any time as Authority reasonably requires.

c. Financial and Expense Reports. Within sixty (60) days following the end of each calendar year, in a manner prescribed by Authority, Borrower shall furnish Authority with (i) a complete annual financial report for the Development based upon an examination of the books and

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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, and (ii) an annual operating expense budget, setting forth among other things, the annual Net Cash Flow (as that term is defined in the Note).

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), the provisions of 47 Ill. Adm. Code 310, Subpart I, except as otherwise approved by the Authority, and the Americans With Disabilities Act.

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.

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 or Trustee, Authority may give written notice thereof to Borrower or Trustee or Senior Lenders (as hereinafter defined). If such violation is not corrected to the satisfaction of Authority within thirty (30) days after the date such notice is mailed or within such further time as Authority in its sole discretion permits, Authority may declare a default under this Agreement effective on the date of such declaration of default and upon such default Authority may:

a. Declare the whole of the indebtedness under the Note immediately due and payable and then proceed with the rights and remedies set forth in the Mortgage and/or any other Loan Document;

b. Subject to the rights of 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 Note, the Mortgage and such other obligations of Borrower in connection with the Development and the necessary expenses of preserving and operating the Development;

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c. Subject to the rights of 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 Note and the 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 Authority's remedies at law, in the event of a violation of this Agreement, would be inadequate to assure 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 Authority in exercising any rights under this Agreement, failure to exercise the same nor the exercise of less than all of its rights under this Agreement shall operate as a waiver of such right.

8. Termination of Liabilities.

a. In the event of a sale or other transfer of the Development not prohibited pursuant to the Mortgage, 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-transferor 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.

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9. Definitions.

a. Very Low Income Tenants. As used in this Agreement, the phrase "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.

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

10. Term of Agreement; Covenants Run 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 Note or the Mortgage 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 Note and the release and discharge of the Mortgage prior to the date the Note was originally scheduled to mature absent acceleration, only the covenants and agreements set forth in Paragraphs 2, 3(a)-(e), 3(l)-(n), 4(c), 5(a), 5(e), 6, 7(d)-(e), 8(b), 9-22 of this Agreement shall remain in effect, and those shall remain in effect only for the period of time ending on the date the Note was originally scheduled to mature absent acceleration (the "Continuing Obligations").

It is hereby expressly acknowledged by Borrower that the covenants, undertakings, and agreements of Borrower are given to induce Authority to make the Loan and that, notwithstanding that the Loan may have been repaid prior to maturity, 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 Loan. If the Loan is prepaid prior to maturity, the Continuing Obligations shall continue to apply as aforesaid irrespective of whether the Loan is prepaid voluntarily by Borrower or tendered by any party following an acceleration by Authority of the Note or enforcement by it of other of its remedies in connection with the 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 the Note or that certain Regulatory Agreement entered into

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by and between the City of Chicago and the Borrower, the Mortgage or the Note or said Regulatory Agreement, as the case may be, shall prevail and control except as to paragraph 3a of this Agreement which shall control and prevail. The provisions of this Paragraph 12 shall not be deemed to be violated by the Senior Loan Documents, as hereinafter defined.

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

14. 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 Borrower 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 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. Non-Waiver. 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 used 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.

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) on the first business day after deposit with delivering agent if sent by overnight courier addressed to a party at its address set forth below, or (iii) on the second business day after proper posting and deposit with the 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:

American National Bank and Trust
Company of Chicago, as Trustee
under Trust No. 110859-09
c/o Shorewood Limited Partnership
c/o City Lands Corp.
5100 W. Harrison
Chicago, Illinois 60644
Attention: Susan McCann

with a copy to:

National Equity Fund
547 W. Jackson, Suite 601
Chicago, Illinois 60661

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If to Authority: Illinois Housing Development Authority
401 North Michigan Avenue, Suite 900
Chicago, Illinois 60611
Attention: Legal Department

Except as otherwise specifically required herein, notice of the exercise of any right or option granted to Assignee pursuant to this Assignment is not required to be given.

20. Exhibits. The provisions of the Tenant Selection Plan, Affirmative Fair Housing Marketing Plan, the Relocation Plan, and the Management Plan, attached hereto as Exhibits B, C, D, and E respectively, are incorporated herein and made a part hereof by this reference.

21. Subordination. Except as provided in Paragraph 12 above, this Agreement shall be subject and subordinate in all respects to the interests of Community Investment Corporation and City of Chicago ("Senior Lenders") in connection with loans in the principal amounts of \$1,900,000, \$1,000,000 and \$1,500,000, respectively, to Borrower (the "Senior Loans") and the documents evidencing or securing the Senior Loans, including, without limitation, the promissory notes evidencing each of the Senior Loans (the "Senior Notes") and those certain three mortgages, one mortgage dated as of May 1, 1992 and two Mortgages dated May 12, 1992 (collectively, the "Senior Mortgages") (the Senior Notes, the Senior Mortgages, and the other documents evidencing, securing or governing the Senior Loans collectively referred to herein as the "Senior Loan Documents"). Borrower will not modify, extend or amend the Senior Loan Documents, increase the amount of the indebtedness secured thereby, or incur additional indebtedness secured by a lien against any or all of the Development without the prior written consent of Authority. So long as the Senior Loan Documents are in full force and effect, in the event of any conflict between the provisions of the Loan Documents and the Senior Loan Documents, the provisions of the Senior Loan Documents shall control. Any waiver or forbearance by Senior Lender of any right or remedy under the Senior Loan Documents shall not impair the priority of its lien under the Senior Loan Documents.

22. Trustee's Exculpation. This Agreement is executed and delivered by American National Bank and Trust Company of Chicago, not personally but solely as Trustee under a certain Trust Agreement dated April 20, 1990 and known as Trust Number 110859-09 in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed by and each original and successive holder of this Agreement, that no personal liability shall be asserted or be enforceable against said Trustee, because or in respect of the making, issue or transfer of this Agreement or the Mortgage or the Note, all such liability, if any, being expressly waived by each original and successive holder hereof, but nothing herein contained shall modify or discharge the personal liability expressly assumed by any other party, and Authority accepts the same upon the express condition that no duty shall rest upon Trustee, either personally or as said Trustee, to sequester the rents, issues and profits arising from the collateral given in connection with the Loan or the proceeds arising from the sale or other disposition thereof.

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

BORROWER:

SHOREWOOD LIMITED PARTNERSHIP, an Illinois limited partnership

By: **City Lands Corp., a Delaware corporation, general partner**

ATTEST:

By: [Signature]
Its: SECRETARY

By: [Signature]
Its: SECRETARY

By: **TNI Development Corporation, an Illinois corporation, general partner**

ATTEST:

By: [Signature]
Its: SECRETARY

By: [Signature]
Its: PRESIDENT

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, solely as Trustee as aforesaid

ATTEST:

By: [Signature]
Its: Asst. Secy

By: [Signature]
Its: Asst. Secy

SECURED PARTY:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate

ATTEST:

By: [Signature]
Its: Asst. Secretary

By: [Signature]
Its: DIRECTOR

SHOREWOODREGAGREE.LSR(TF/cbk)

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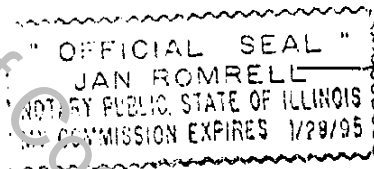
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that William M. McLean and, Lennox Jackson personally known to me to be the S.V.P. and Asst. Secy of City Lands Corporation, a Delaware corporation, 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 capacities as S.V.P. and Asst. Secy of said corporation as their free and voluntary act and deed and as the free and voluntary act and deed of said corporation in its capacity as the general partner of Shorewood Limited Partnership, an Illinois limited partnership, for the uses and purposes therein set forth.

Given under my hand and official seal this 12 day of May, 1992.

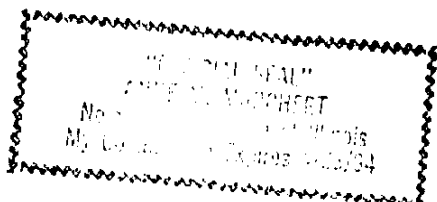


Jan Romrell
Notary Public

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 J. Michael and, P. JOHANSEN personally known to me to be the Vice President and Assistant Secretary of American National Bank and Trust Company of Chicago, 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 capacities as Vice President and Assistant Secretary of American National Bank and Trust Company of Chicago as their free and voluntary act and deed and as the free and voluntary act and deed of American National Bank and Trust Company of Chicago, as trustee, for the uses and purposes therein set forth.

Given under my hand and official seal this ___ day of MAY 12 1992, 1992.



J. Michael
Notary Public

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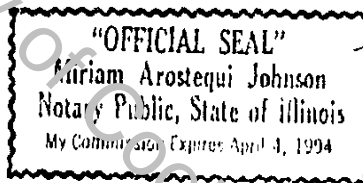
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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Peter R. Dwers and, Peter K. Lennon personally known to me to be the Director and Asst. Secretary of the Illinois Housing Development Authority and 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 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 for the uses and purposes therein set forth.

Given under my hand and official seal this 11th day of May, 1992.



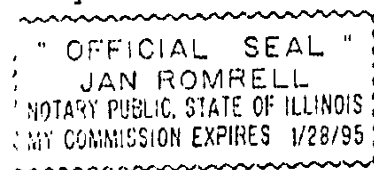
Miriam Arostegui Johnson
Notary Public

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 William Johnson and, John Johnson personally known to me to be the President and Asst. Secy of the TNI Development Corporation, an Illinois corporation, and 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 capacities as President and Asst. Secy of TNI Development Corporation, an Illinois corporation, as their free and voluntary act and deed and as the free and voluntary act and deed of the Illinois Housing Development Authority for the uses and purposes therein set forth.

Given under my hand and official seal this 12 day of May, 1992.

Jan Romrell
Notary Public



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EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1: 1500-02 EAST 67TH STREET, CHICAGO IL 60637
PIN: 20-23-228-015 VOL: 260

LOT 15 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 1 AND 4 IN JUNIUS MULVEY'S SUBDIVISION OF THE SOUTH 703.4 FEET OF THAT PART LYING EAST OF THE ILLINOIS CENTRAL RAILROAD OF THE NORTHEAST 1/4 OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 2: 1500-06 EAST 67TH PLACE, CHICAGO, IL 60637
PIN: 20-23-403-007 VOL: 261

LOTS 16 AND 17 IN BLOCK 1 IN BASS' SUBDIVISION OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE EAST 256 FEET THEREOF) IN COOK COUNTY, ILLINOIS.

PARCEL 3: 1501-03 EAST 69TH PLACE, CHICAGO IL 60637
PIN: 20-23-418-001 VOL. 261

LOTS 20 & 21 IN BLOCK 6, IN THE SUBDIVISION OF THE NORTH 1/2 OF THE SOUTHEAST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 4: 1734 EAST 72ND STREET, CHICAGO IL 60649
PIN: 20-25-104-004 VOL. 262

LOT 55 (EXCEPT THE NORTH 8.5 FEET) AND ALL OF LOTS 56, 57 AND 58 IN MURRAY WOLBACH'S ADDITION TO SOUTH SHORE IN THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED AS DOCUMENT NUMBER 5938751 IN COOK COUNTY, ILLINOIS.

PARCEL 5: 1962 EAST 73RD PLACE, CHICAGO IL 60649
PIN: 20-25-130-023 VOL. 262

LOT 11 (EXCEPT THE WEST 20 FEET THEREOF) AND ALL OF LOTS 12, 13, 14 AND 15 IN DALY AND McBRIDE'S SUBDIVISION OF BLOCK 9 IN THE SUBDIVISION OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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MORTGAGE LOAN RIDER

This Rider is attached to and made a part of the Installment Note, the Fourth Mortgage and Security Agreement, and the other documents evidencing, securing, and governing a loan in the amount of FIVE HUNDRED THOUSAND AND 00/100 DOLLARS (\$500,000.00) (the "Loan") made to THE ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Lender") by AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee under a Trust Agreement dated April 20, 1990 and known as Trust No. 110859-09 ("Trustee") and SHOREWOOD LIMITED PARTNERSHIP ("Beneficiary") (Trustee and Beneficiary are hereinafter collectively referred to as "Borrower") for the construction or rehabilitation of the residential apartment buildings located at 1500-02 E. 67th Street, 1500-06 E. 67th Place, 1501-03 E. 69th Place, 1734-40 E. 72nd Street and 1962 E. 73rd Place, all located in Chicago, Illinois (the "Project"). The form of this Rider has been designed for use whether the Borrower is a limited partnership, a land trust of which a limited partnership is the beneficiary or otherwise. Accordingly, the limited partnership developing the Project, whether or not identified as Borrower, is sometimes referred to herein as the "Partnership." The Articles of Limited Partnership forming or continuing the Partnership are referred to herein as the "Partnership Agreement."

The parties hereto agree that the following covenants, terms, and conditions shall be part of and shall modify or supplement each of the documents evidencing, securing, or governing the disbursement of the Loan (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 Project and related security thereunder.
2. The withdrawal, removal, and/or replacement of a general partner of the Partnership pursuant to the terms of the Partnership Agreement shall not constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan, provided that a substitute general partner is reasonably acceptable to Lender and is selected with reasonable promptness.
3. If a monetary default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder Lender shall give Borrower and the National Equity Fund 1991 Limited Partnership ("NEF") 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 or such longer period of time as may be specified in the Loan Documents.

4. If a non-monetary default occurs under the terms of any of the Loan Documents, prior to exercising any remedies thereunder Lender shall give Borrower and NEF 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, or such longer period of time as may be specified in the Loan Documents. If the default is such that it is not reasonably capable of being cured within thirty (30) days or such longer period if so specified, 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. If Borrower fails to take corrective action or to cure the default within a reasonable time, Lender shall give Borrower and NEF written notice thereof, whereupon NEF may remove and replace the general partner with a substitute general partner who shall effect a cure within a reasonable time thereafter in accordance with the foregoing provisions. In no event shall Lender be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) days after the first notice of default is given, or such longer period of time as may be specified in the Loan Documents.
5. In the event of any fire or other casualty to the Project or eminent domain proceedings resulting in condemnation of the Project or any part thereof, Borrower shall have the right to rebuild the Project, and to use all available insurance or condemnation proceeds therefor, provided that (a) such proceeds are sufficient to keep the Loan in balance and rebuild the Project in a manner that, in Lender's judgment, 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 rehabilitation, reconstruction or rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, (c) no material default then exists under the Loan Documents, and (d) in Lender's reasonable judgment, Borrower can complete the rebuilding of the Project prior to the Maturity Date, as defined in the Note. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the Loan in a manner that provides adequate security to Lender for repayment of the remaining balance of the Loan.
6. There shall be no default for construction or rehabilitation delays beyond the reasonable control of Borrower, provided that such delays do not exceed one hundred eighty (180) days, or such longer period of time as may be specified in the Loan Documents.
7. The execution and delivery of the purchase option and right of first refusal agreement described in the Partnership Agreement shall not constitute a default under the Loan Documents or accelerate the maturity of the Loan thereunder. Any requisite consent of Lender to the exercise of said purchase option and right of first refusal agreement by the project sponsor identified therein shall not be unreasonably withheld,

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nor shall the assumption without penalty of Loan obligations by the project sponsor and the release of Borrower from such obligations, and, subject to any such requirement, the exercise of rights thereunder shall not constitute a default or accelerate maturity of the Loan.

8. If the purchase option and right of first refusal agreement described in the Partnership Agreement is not exercised and the Project is sold subject to low-income housing use restrictions as contained in an existing regulatory agreement or other recorded covenant, any requisite consent of Lender to said sale shall not be unreasonably withheld, nor shall Lender's consent to the assumption without penalty of loan obligations by the purchaser and the release of Borrower from such obligations.
9. In any approval, consent, or other determination by Lender required under any of the Loan Documents, Lender shall act reasonably and in good faith.

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IN WITNESS WHEREOF, the undersigned have caused this Rider to be executed as of this 12th day of May, 1992.

BORROWER:

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

ATTEST:

By: [Signature]
Its: Asst. Secretary

By: [Signature]
Its: [Signature]

SHOREWOOD LIMITED PARTNERSHIP, an Illinois limited partnership

ATTEST:

By: [Signature]
Its: Asst. Secretary

By: City Lands Corp., a Delaware corporation, general partner

By: [Signature]
Its: Secretary

By: TNI Development Corporation, an Illinois Corporation, general partner

ATTEST:

By: [Signature]
Its: Asst. Secretary

By: [Signature]
Its: President

LENDER:

ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate

ATTEST:

By: [Signature]
Its: Asst. Secretary

By: [Signature]
Its: DIRECTOR

SHOREWOODMORTRIDER.LSR(TF/cbk)

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