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REGULATORY AND LAND USE RESTRICTION AGREEMENT

This REGULATORY AND LAND USE RESTRICTION AGREEMENT (the "Agreement") dated the 1st day of June, 1993, by and between AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, not personally but solely as Trustee under Trust Agreement dated June 24, 1992 and known as Trust No. 115531-04 ("Trustee") and DORCHESTER WAY LIMITED PARTNERSHIP, an Illinois limited partnership and sole beneficiary of the aforesaid trust ("Beneficiary") (Trustee and Beneficiary are herein sometimes collectively referred to as "Borrower") and the ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate established pursuant to the Illinois Housing Development Act, Ill. Rev. Stat., Ch. 67 1/2, paras. 301 et seq., as amended and supplemented (the "Act"), having its principal office at 401 N. Michigan Ave., Chicago, Illinois ("IHDA");

DEPT-01 RECORDING \$65.00
 T03333 TRAM 7400 06/30/93 16:55:00
 #3810 # *-93-503868
 COOK COUNTY RECORDER

W I T N E S S E T H :

WHEREAS, Trustee is the holder of legal title to certain real property upon which a housing development (the "Development") consisting of eighty-seven (87) units (the "Units") is to be acquired and rehabilitated, located in Chicago, Illinois. The real property is legally described in Exhibit A attached hereto and by this reference made a part hereof (the "Real Estate"); and

WHEREAS, IHDA is the program administrator of the Illinois Affordable Housing Program, as that program is authorized by the Illinois Affordable Housing Act, Ill. Rev. Stat., Ch. 67 1/2, paras. 1251 et seq. (the "Trust Fund Act") and the rules promulgated thereunder (the "Rules"). All capitalized terms used herein and not otherwise defined shall have the meaning established in the Trust Fund Act or, if not so established, in the Rules; and

WHEREAS, IHDA has issued a conditional commitment letter dated December 30, 1992 to Beneficiary (the "Commitment") pursuant to which it has agreed to make a loan to Beneficiary in the sum of Five Hundred Thousand Dollars (\$500,000.00) (the "Loan"), to be used with such other monies, if any, as provided and for the purposes stated in the Commitment, which Loan is to be evidenced by a mortgage note (the "Note") and secured by a mortgage (the "Mortgage") on the Development, both of even date herewith; and

THIS INSTRUMENT WAS PREPARED
 BY: Richard A. Siebel, Esq.
 AND AFTER RECORDING RETURN
 TO: Illinois Housing Development
 Authority
 401 N. Michigan Avenue, Ste. 900
 Chicago, Illinois 60611
 Attn: Legal Department

Permanent Index Tax Numbers:
 20-23-412-001
 20-23-407-030
 20-23-402-015
 Property Addresses:
 6800-20 S. Dorchester
 1454-56 E. 67th Place
 1472-74 East 69th Street
 Chicago, Illinois 60637

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Box 430

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WHEREAS, as an inducement to IHDA 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 IHDA as herein provided and as provided for in the Trust Fund Act, the Rules, the Act and the rules, regulations, policies and procedures of IHDA promulgated under the Act, all as they may be amended and supplemented.

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

1. Incorporation. The foregoing recitals are incorporated herein by this reference.

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 IHDA promulgated under the Act, all as they may be amended and supplemented from time to time.

3. Additional Borrower Covenants. Borrower further covenants and agrees that:

(a) At least fifty percent (50%) of the Units shall be reserved for Very Low Income Households (as that term is defined in Paragraph 9 below), and the remaining Units shall be reserved for Low Income Households (as that term is defined in Paragraph 9 below). With respect to those Units reserved for Low and Very Low Income Households, as provided in the Commitment, Borrower shall limit occupancy to those persons and families whose annualized adjusted income does not exceed the income limits for Very Low Income Households and Low Income Households, as the case may be, as of the date of initial occupancy;

(b) In the advertising, marketing, and rental of Units and the selection of tenants for such Units ("Tenant"), Borrower agrees to abide by the terms and conditions of the Tenant Selection Plan dated _____, 1993 executed by Beneficiary and approved by IHDA, 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 May 20, 1993, which Affirmative Fair Housing Marketing Plan is attached hereto as Exhibit B and by this reference made a part hereof. 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 IHDA;

(d) On forms approved by IHDA, Borrower shall obtain from each prospective Tenant prior to admission to the Development a certification of income, and at such intervals thereafter as required by IHDA, a recertification of income from each such Tenant. Borrower shall submit such certifications and

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recertifications to IHDA in the manner prescribed by IHDA;

(e) In the manner prescribed by IHDA, 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. At the end of each calendar year, Borrower shall certify to IHDA that, at the time of such certification and during the preceding calendar year, Borrower was in compliance with the requirements of this Paragraph 3, or, if Borrower is not or has not been in compliance with such requirements, Borrower shall give notice to IHDA of its failure to comply and the corrective action Owner is taking or has taken;

(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 IHDA;

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

(i) Borrower shall at all times be an Eligible Recipient;

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

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

(l) Borrower shall design and rehabilitate the Development in conformity with applicable Federal, State and local statutes, regulations, ordinances, standards and codes, with industry practices in Illinois, and with applicable rules, contracts, agreements, procedures, guides and other requirements of IHDA.

4. Acts Requiring IHDA Approval. Except as permitted by the Mortgage, Borrower shall not without the prior written approval of IHDA:

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

(b) Rent any Unit for less than thirty (30) days or more than one (1) year;

(c) 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 IHDA, its

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board members, officers, employees, agents or members of their respective immediate families;

(d) Require, as a condition of the occupancy or leasing of any Unit, 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

(e) 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. Upon completion of the rehabilitation of the Development, Borrower shall maintain the Development, including, but not limited to, 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 IHDA or its agent or representative at any time as IHDA reasonably requires.

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

(d) Furnishing Information. At the request of IHDA, Borrower shall furnish such reports, projections, certifications, budgets, operating reports, tax returns and analyses as required pursuant to the rules and regulations of IHDA 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.

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(e) Compliance with Certain Laws. In the rehabilitation of the Development, Borrower shall comply with the provisions of the Environmental Barriers Act, Ill. Rev. Stat., ch. 111 1/2, para. 3711 et seq., the Illinois Accessibility Code, 71 Ill. Adm. Code 400 and the provisions of 47 Ill. Adm. Code 310, Subpart I, all as they may be amended or supplemented.

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 applicable 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, IHDA shall give written notice thereof to Beneficiary and Trustee and to the holders of the First Senior Mortgage and Second Senior Mortgage as such terms are defined in the Mortgage. If such violation is not corrected to the satisfaction of IHDA within thirty (30) days after the date such notice is mailed, or within such further time as IHDA in its sole discretion permits, IHDA may declare a default under this Agreement effective on the date of such declaration of default and upon such default IHDA 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;

(b) Subject to the rights of the First Senior Lender and the Second Senior Lender (as such terms are defined in the Mortgage), collect all rents and charges in connection with the operation of the Development and use such collections to pay Borrower's obligations under this Agreement, the 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 First Senior Lender and the Second Senior Lender, 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 IHDA, 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 Mortgage;

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(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 IHDA 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 IHDA's remedies at law, in the event of a violation of this Agreement, would be inadequate to assure IHDA's public purpose under the Trust Fund Act; and/or

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

IHDA's remedies are cumulative and the exercise of one shall not be deemed an election of remedies, nor foreclose the exercise of IHDA's other remedies. No waiver by IHDA of any breach of this Agreement shall be deemed to be a waiver of any other breach or subsequent breach. The failure or delay of IHDA in exercising any of its rights under this Agreement in any one or more instances, or the exercise of less than all of its rights in any one or more instances, shall not be deemed or construed as a waiver of any such rights.

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 transferor under the terms of this Agreement shall thereafter cease and terminate as to such transferor, except as to any acts or omissions or obligations to be paid or performed by such transferor that occurred prior to such sale or transfer; provided, however, as a condition precedent to the termination of the liability of the transferor hereunder, the transferee shall assume, on the same terms and conditions as apply hereunder to the transferor, all of the duties and obligations of such transferor arising under this Agreement from and after such sale or transfer. Such assumption shall be in form and content acceptable to IHDA.

(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 IHDA 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 that 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 Household" means a single person, family or group of unrelated persons living together whose annualized adjusted income is more than fifty percent (50%), but less than

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eighty percent (80%), of the median income of the area of residence, adjusted for family size, as such annualized 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 Household" means a single person, family or group of unrelated persons living together whose annualized adjusted income is less than or equal to fifty percent (50%) of the median income of the area of residence, adjusted for family size, as such annualized 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, bind and burden the Development, and shall be deemed to bind any New Owner and any other future owners of the Development and the holder of any legal, equitable or beneficial interest therein so long as the Note and Mortgage on the Development are outstanding and in effect; provided, however, that if the cancellation of the Note and the release and discharge of the Mortgage (the "Release Date") is prior to the date the Note was originally scheduled to mature (the "Maturity Date"), the covenants and agreements set forth in Paragraphs 2, 3(a)-(f), 3(j), 5(a), 6, 7(d)-(e), 8(b) and 9-12 hereof (collectively, the "Continuing Obligations") shall remain in effect, and those shall remain in effect only for the period of time ending on the date the Note was originally scheduled to mature.

It is hereby expressly acknowledged by Borrower that the undertakings, covenants and agreements of Borrower are given to induce IHDA to make the Loan and that, notwithstanding that the Loan may have been repaid prior to the Maturity Date, the Borrower's undertaking to perform on an ongoing basis the Continuing Obligations is a condition precedent to the willingness of IHDA to make 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 herewith; provided, however, that to the extent this Agreement conflicts with any provisions or requirements set forth in the Mortgage or Note or that certain Regulatory Agreement entered into by and among Borrower and the City of Chicago, the

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Mortgage or Note or said Regulatory Agreement, 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 defined in the Mortgage.

13. Partial Invalidity. If any term, covenant, condition or provision of this Agreement, or the application thereof to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application thereof to circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Successors. Subject to the provisions of Paragraph 8 hereof, 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 IHDA.

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

17. Notices. Any notice, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing (at the addresses set forth below) by any of the following means: (a) personal service; (b) electronic communication, whether by telegram or telecopier, together with confirmation or receipt; (c) overnight courier; or (d) registered or certified United States mail, postage prepaid, return receipt requested.

Beneficiary and Borrower: DORCHESTER WAY LIMITED PARTNERSHIP,
an Illinois limited partnership
c/o CITY LANDS CORP.
5100 W. Harrison Street
Chicago, IL 60644
Attn: Mr. Lennox Jackson

with a copy to: Chicago Equity Fund 1992 Partnership
c/o Chicago Equity Fund, Inc.
One E. Superior St., Suite 604
Chicago, IL 60611

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Trustee American National Bank and Trust Company
and of Chicago, as Trustee under Trust
Borrower: No. 115531-04
Attn: Land Trust Department
33 N. LaSalle Street
Chicago, IL 60690

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

Such addresses may be changed by notice to the other parties given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subsection (a) or (b) hereof shall be served and effective upon such personal service or upon dispatch by such electronic means. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective one business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (d) shall be served and effective two business days after proper deposit with the United States Postal Service.

18. Counterparts. This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same agreement.

19. Mortgage Loan Riders. The provisions of the Mortgage Loan Riders attached hereto are by this reference incorporated herein and made a part hereof.

20. Subordination to Senior Loan Documents. This Agreement shall be subject and subordinate in all respects to that certain mortgage dated as of June 1, 1993, between Owner and Harris Trust and Savings Bank (the "First Senior Lender") recorded as Document No. 93503862 with the Cook County Recorder of Deeds on June 30, 1993 (the "First Senior Mortgage") to secure indebtedness in the original principal amount of ONE MILLION FIVE HUNDRED NINETY EIGHT THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$1,598,400.00) (the "First Senior Loan") (the First Senior Mortgage and all other documents evidencing, securing or governing the First Senior Loan shall hereinafter be referred to as the "First Senior Loan Documents"). This Agreement shall also be subject and subordinate in all respects to that certain mortgage dated as of June 1, 1993, between Owner and the City of Chicago (the "Second Senior Lender") recorded as Document No. 93503864 with the Cook County Recorder of Deeds on June 30, 1993 (the "Second Senior Mortgage") to secure indebtedness in the original principal amount of THREE MILLION FIVE HUNDRED NINETY SEVEN THOUSAND ONE HUNDRED TWENTY ONE AND NO/100

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DOLLARS (\$3,597,121.00) (the "Second Senior Loan") (the Second Senior Mortgage and all other documents evidencing, securing or governing the Second Senior Loan shall hereinafter be referred to as the "Second Senior Loan Documents"). Owner shall not modify, extend or amend the First Senior Mortgage or the Second Senior Mortgage, increase the amount of the indebtednesses secured thereby, or incur additional indebtedness secured by a lien against any or all of the Development, without the prior written consent of IHDA. So long as the First Senior Loan Documents or the Second Senior Loan Documents are in full force and effect, in the event of any conflict between the provisions of the Loan Documents and those of the First Senior Loan Documents or the Second Senior Loan Documents, the provisions of the First Senior Loan Documents or the Second Senior Loan Documents, as the case may be, shall control. Any waiver or forbearance by First Senior Lender or the Second Senior Lender of any right or remedy under the First Senior Loan Documents or the Second Senior Loan Documents shall not impair the priority of its lien under the First Senior Loan Documents or the Second Senior Loan Documents.

21. Trustee Exculpation. This Agreement is executed and delivered by American National Bank and Trust Company of Chicago, not personally, but solely as Trustee under that certain Trust Agreement dated June 24, 1992 and known as Trust No. 115531-04 in the exercise of the power and authority conferred upon and invested in it as such Trustee. It is expressly understood and agreed by 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, 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 for fraud or pursuant to the Environmental Indemnity Agreement expressly assumed by any other party, and IHDA 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.

22. Non-Recourse. Notwithstanding anything herein to the contrary, except for personal liability for fraud or with respect to that certain Environmental Indemnity Agreement entered into by and between Beneficiary and IHDA in connection with the Loan, the Loan is a non-recourse obligation of Borrower. Neither Trustee nor Beneficiary, nor any of Beneficiary's partners, nor their constituent partners, if any, nor any other party shall have any personal liability for repayment of the Loan. Except in the event of fraud, the sole recourse of IHDA under the Loan Documents for repayment of the Loan shall be the exercise of its rights against the Premises and related security interests thereunder.

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

ATTEST:

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO, not personally
but as Trustee under Trust No.
115531-04

By: _____

Its: _____

By: _____

Its: _____

ATTEST:

DORCHESTER WAY LIMITED PARTNERSHIP
an Illinois limited partnership

By: CITY LANDS CORP.
a Delaware corporation,
general partner

By: _____

Its: Assistant Secretary

By: _____

Its: Development Officer

ILLINOIS HOUSING DEVELOPMENT
AUTHORITY

BY: _____

Its: MANAGER PORTFOLIO ADMINISTRATION

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June 30, 1993

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Legal Description

Parcel 1:

Lots 1 to 8 in Block 2 in Scammon and Dickey's Subdivision of all that part of the West 1/4 of the South East 1/4 of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as: 6800-20 S. Dorchester
Chicago, Illinois

Permanent Real Estate Tax ID No: 20-23-412-001-0000

Parcel 2:

That part of Lots 41, 41 and 42 in Block 4 in Bass Subdivision of the North 1/4 of the North East 1/4 of the South East 1/4 of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian (except the East 256 feet thereof) described as follows:

Commencing at a point on the South line of said Lot 41 which is 53.75 feet East of the South West corner of said Lot 40 and thence North on a line parallel to the West line of said Lot 40, a distance of 76 feet; thence in a Northwesterly direction 65 feet more or less to a point in the North line of said Lot 40, which is 25.63 feet East of the North West corner of said Lot; thence East along the North line of said Lots 40, 41 and 42, a distance of 79.44 feet to the North East corner of said Lot 42; thence South along the East line of said Lot 42, 134.38 feet to the South East corner of said Lot; thence West along the South line of said Lots 41 and 42, a distance of 51.38 feet to the place of beginning, in Cook County, Illinois.

Commonly known as: 1454-56 E. 57th Place
Chicago, Illinois

Permanent Real Estate Tax ID No: 20-23-402-015-0000

Parcel 3:

Lot 5 in Block 2 in Thomas B. Marston's Subdivision of the South 1/2 of the South 1/2 of the North East 1/4 of the South East 1/4 of Section 23, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Commonly known as: 1472-1474 E. 69th Street
Chicago, Illinois

Permanent Real Estate Tax ID No: 20-23-407-030-0000

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MORTGAGE LOAN RIDER B

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, as Trustee under Trust Agreement dated June 24, 1992 and known as Trust No. 115531-04 ("Trustee") and DORCHESTER WAY LIMITED PARTNERSHIP, an Illinois limited partnership and sole beneficiary of the aforesaid trust ("Beneficiary") (Trustee and Beneficiary are herein sometimes collectively referred to as "Mortgagor"), and ILLINOIS HOUSING DEVELOPMENT AUTHORITY ("Mortgagee") are executing simultaneously herewith that certain Junior Mortgage and Security Agreement (the "Mortgage") and other Loan Documents evidencing, securing and governing a Loan in the amount of Five Hundred Thousand and No/100 Dollars (\$500,000.00) made by Mortgagee to Mortgagor for the construction or rehabilitation of three (3) multi-family residential buildings located at 6800-20 S. Dorchester, 1454-56 E. 67th Place, and 1472-74 E. 69th Street, Chicago, Illinois. All capitalized terms not defined herein shall have the meanings ascribed in the Mortgage. In consideration of the respective covenants of the parties contained in the Loan Documents, and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, Mortgagor and Mortgagee further mutually agree as follows:

R-1 Senior Mortgages. Mortgagor, Trustee or Beneficiary has executed and delivered to Harris Trust and Savings Bank ("First Senior Lender") (i) that certain Adjustable Rate Promissory Note in the original principal amount of One Million Five Hundred Ninety Eight Thousand Four Hundred Dollars (\$1,598,400.00) ("First Senior Note"); (ii) that certain Construction Mortgage, Security Agreement and Financing Statement, securing the First Senior Note dated June 1, 1993 and recorded JUNE 30, 1993, as Document Number 93503862 with the Recorder of Deeds of Cook County, Illinois ("First Senior Mortgage"); (iii) various other documents in connection with or securing the First Senior Note (collectively, the "First Senior Loan Documents"). Mortgagor, Trustee or Beneficiary has also executed and delivered to City of Chicago, a municipal corporation, through its Department of Housing ("DOH") ("Second Senior Lender") (i) that certain Note in the original principal amount of Three Million Five Hundred Ninety Seven Thousand One Hundred Twenty One Dollars (\$3,597,121.00) ("Second Senior Note"); (ii) that certain Junior Mortgage and Security Agreement, securing the Second Senior Note dated June 1, 1993 and recorded JUNE 30, 1993, as Document Number 93503864 with the Recorder of Deeds of Cook County, Illinois ("Second Senior Mortgage"); (iii) various other documents in connection with or securing the Second Senior Note (collectively, the "Second Senior Loan Documents"). Mortgagee acknowledges that this Mortgage is junior and subordinate to the liens of the First Senior Loan Documents and the Second Senior Loan Documents.

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R-2 Mortgagor's Covenants with Respect to Senior Instruments.

(a) Mortgagor covenants and agrees to comply with all of the terms and provisions of the First Senior Note, the Second Senior Note, the First Senior Mortgage, the Second Senior Mortgage, and all other First Senior Loan Documents and Second Senior Loan Documents (collectively, the "Senior Instruments"). If Mortgagor shall default in the performance of any term or provision contained in the First Senior Mortgage or the Second Senior Mortgage, and shall fail to cure such default within any applicable cure period, the owner or holder of the Note may, but shall not be obligated to, pay any principal or interest due under any of the Senior Instruments. To the extent the owner and holder of the Note pays any installment of principal or interest or any other sums due under the Senior Instruments, the said owner and holder shall become, to the extent provided by the Senior Instruments and applicable law, entitled to a lien on the Development covered by this Mortgage and by the Senior Instruments, equal in rank and priority to the lien of that instrument among the Senior Instruments pursuant to which said payment is due, and, in addition, to the extent necessary to make effective such rank and priority, (i) Mortgagee shall become subrogated to receive and enjoy all of the rights, liens, powers and privileges granted to the Lender under the applicable instrument among the Senior Instruments, and (ii) the Senior Instruments shall remain in existence for the benefit of and to further secure the debt and other sums secured or hereafter to become secured hereunder.

(b) Mortgagor shall give Mortgagee a copy of all notices of default received by Mortgagor with respect to any of the Senior Instruments within five (5) days after receiving such notice.

(c) Mortgagor shall not, without the prior written consent of Mortgagee, which consent shall not be unreasonably withheld, enter into any modification, extension, amendment, agreement or arrangement in connection with any of the Senior Instruments.

R-3 Default under Senior Instruments; Mortgagee's Right to Cure. In the event Mortgagor is declared by the holder of any of the Senior Instruments to be in default beyond any applicable cure periods with respect to any requirement of any of the Senior Instruments, Mortgagor agrees that said default shall constitute a Default hereunder. Upon the occurrence of such Default, in addition to any other rights or remedies available to Mortgagee pursuant to the Loan Documents, and subject to the terms of the Senior Instruments, Mortgagee may, but need not, make any payment or perform any act required to cure or attempt to cure any said default under any of the Senior Instruments in any manner and form deemed expedient by Mortgagee. Mortgagee shall not be responsible for determining the validity or accuracy of any claim of default made by the First Senior Lender or the Second Senior Lender under the Senior Instruments, and the payment of any sum by Mortgagee in curing or attempting to cure any such alleged default or omission

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shall be presumed conclusively to have been reasonable, justified and authorized. Mortgagor hereby grants to Mortgagee an irrevocable power of attorney, which power of attorney is coupled with an interest, for the term of the Mortgage to cure any default or forfeiture which may occur and be continuing beyond the expiry of any applicable cure period under the Senior Instruments. Mortgagor further agrees to execute a formal and recordable power of attorney, granting such right at any time during the existence of this Mortgage if requested by Mortgagee. All monies paid by Mortgagee in curing any default under the Senior Instruments, including reasonable attorneys' fees and costs in connection therewith, shall bear interest from the date or dates of such payment at the Default Rate as described in the Note, shall be paid by Mortgagor to Mortgagee on demand, and shall be deemed a part of the Mortgage Debt and recoverable as such in all respects. Any inaction on the part of Mortgagee shall not be construed as a waiver of any right accruing to Mortgagee on account of any default under the Senior Instruments.

R-4 Mortgagee's Right to Prepay Senior Note. Subject to the terms and conditions of the Senior Instruments, in the event of a Default hereunder or a default under any of the Senior Instruments remaining uncured past any applicable cure period, Mortgagee may prepay the entire balance due under the First Senior Note or the Second Senior Note, and any prepayment fees or penalty incurred by Mortgagee in connection with such prepayment shall bear interest from the date of such payment at the Default Rate as described in the Note, shall be paid by Mortgagor to Mortgagee upon demand, and shall be deemed a part of the Mortgage Debt and recoverable as such in all respects.

IN WITNESS WHEREOF, the undersigned have caused this Rider to be executed by their authorized agents or representatives this 1st day of June, 1993.

Trustee:

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO, as Trustee
under Trust No. 115531-04 and
not individually

By: _____

Its: _____

Attest: _____

Its: _____

Mortgagee:

ILLINOIS HOUSING DEVELOPMENT
AUTHORITY

By: _____

Its: MANAGER, PORTFOLIO ADMINISTRATION

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Illinois Housing Trust Fund
Affirmative Fair Housing Marketing Plan

07/13/90
HTF

Complete Form and Submit To: Fair Housing Officer
Illinois Housing Development Authority
401 N. Michigan Avenue, Suite 900
Chicago, Illinois 60611

I. INTRODUCTION

Each multifamily Trust Fund applicant must carry out an affirmative program to attract prospective 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 to include Blacks (non-Hispanic) American Indians/Alaskan Natives, Hispanic and Asian/Pacific Islanders.

II. APPLICATION AND PROJECT IDENTIFICATION

A. Applicant: Dorchester Way Limited Partnership

Company Name City Lands Corp Contact Person Lennox G. Jackson

5100 W. Harrison Chicago IL 60644
Address City State Zip

Telephone Number (312) 626-3300

B. Managing Agent:

Firm Name City Lands Corp Contact Person Lynn Ralleback

7114 S. Jeffery Blvd. Chicago IL 60649
Address City State Zip

Telephone Number (312) 667-2600

C. Project:

Name Dorchester Way Apartments

5100 W. Harrison Street Chicago IL 60644
Address City State Zip

County Cook Phone # (312) 626-3300 Census Tract 4305

D. Project Data:

Project or Application Number HTF # 241 # of Units 87

Rental Range of Units/From \$ 380 (1-BRM) to \$ 725 (4-BRM)

Project Type: (Check one) Elderly Family Mixed

Approximate Starting Dates Advertising Feb. 1994 Occupancy July, 1994

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III. DIRECTION OF MARKETING ACTIVITY

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

White (non-Hispanic) Black (non-Hispanic) Hispanic
 American Indian/Alaskan Native Asian/Pacific Islander

IV. MARKETING PROGRAM

A. Commercial Media

Check the Media to be used in advertising the availability of this housing.

Newspaper(s)/Publication(s) Radio T.V. Billboards

Other (specify): Community Group Meetings, Building Signs

The fair housing logo or slogan must be used in all newspaper ads and publications.

Names of Newspapers, Radio or T.V. Stations	Racial/Ethnic Identification of Reader/Audience	Size or Duration of Advertising
<u>Chicago Sun-Times</u>	<u>Everyone</u>	<u>30 Days</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Community Contacts

If applicant chooses to use community contact as part of their outreach program, it is understood that contact with the group/organization listed below will be established and maintained throughout initial marketing campaign subsequent marketing efforts. If more space is needed, attach an additional sheet.

1. Name of Group/Organization
2. City, State & Zip Code
3. Racial/Ethnic Identification
4. Approximate Date of Contact or Proposed Contact

Group I	Group II
1. _____	1. _____
2. _____	2. _____
3. _____	3. _____
4. _____	4. _____

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MORTGAGE LOAN RIDER A

This Rider is attached to and made a part of the promissory note, the mortgage or trust deed, the loan agreement, and other document(s) evidencing, securing, and governing a loan in the amount of FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$500,000.00) (the "Loan") made by Illinois Housing Development Authority ("Lender") to American National Bank and Trust Company of Chicago, as Trustee under Trust No. 115531-04 and not individually ("Borrower"), for the construction or rehabilitation of 6800-20 S. Dorchester, 1454-56 E. 67th Place, and 1472-74 E. 69th Street, Chicago, Illinois (the "Project"). The form of this Rider has been designed for use whether Borrower is a limited partnership, an Illinois land trust of which a limited partnership is the beneficiary, or otherwise. Accordingly, Dorchester Way Limited Partnership, 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"), provided, however, that the Environmental Indemnity Agreement between Partnership and Lender shall be deemed excluded from the Loan Documents for purposes of this Rider; and further agree 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 withdrawal, removal, and/or replacement of a general partner of the Partnership pursuant to the terms of the Partnership Agreement, with the prior written approval of IHDA, shall not constitute a default under any of the Loan Documents, and any such actions shall not accelerate the maturity of the Loan.
2. The execution and delivery of the purchase option and right of first refusal agreement described in the Limited Partnership Agreement shall not constitute a default under the Loan Documents or accelerate the maturity of the Loan thereunder. Lender must give its written approval prior to (a) the exercise of said purchase option and right of first refusal agreement by the project sponsor identified therein, and to (b) the assumption without penalty of Loan obligations by the project sponsor and the release of Borrower from such obligations. Subject to any such consent requirement, the exercise of rights under such agreement shall not constitute a default or accelerate maturity of the Loan.

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3. If the purchase option and right of first refusal agreement described in the Limited Partnership Agreement is not exercised and the project is sold subject to low-income housing use restrictions as contained in any existing regulatory agreement or other recorded covenant, Borrower must obtain the prior written consent of Lender to said sale, and to the assumption without penalty of Loan obligations by the purchaser and to the release of Borrower from such obligations.

IN WITNESS WHEREOF, the undersigned have caused this Rider to be executed as of the 1st day of June, 1993.

Borrower:

AMERICAN NATIONAL BANK AND TRUST
COMPANY OF CHICAGO, as Trustee
under Trust No. 11531-04 and
not individually

By: _____

[Signature]
Its: UP

Attest: _____

Its: *[Signature]*

Partnership:

DORCHESTER WAY LIMITED PARTNERSHIP,
an Illinois limited partnership

By: CITY LANDS CORP., a Delaware
corporation, general partner

By: _____

Lenny G. Jackson
Its: Development Officer

Attest: _____

Linda Price
Its: Assistant Secretary

Lender:

ILLINOIS HOUSING DEVELOPMENT
AUTHORITY

By: _____

[Signature]
Its: MANAGER, PORTFOLIO ADMINISTRATION

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V. ADDITIONAL MARKETING ACTIVITIES

A. Brochures, Signs and Fair Housing Poster:

- (1) Will brochures, leaflets, or handouts be used to advertise? yes no
If yes, the fair housing logo must be used. Please attach a copy of brochure or submit when available. To be provided.
- (2) Will there be a project site sign? yes no
If yes, will a logotype be used? yes no
If a logotype will be used, the fair housing logo of equal size must be used also.
- (3) Will the project have any of the following: Rental Office yes
model unit(s) _____ Other (specify) _____
In all areas checked, the Fair Housing Poster must be conspicuously displayed.

VI. EXPERIENCE AND STAFF INSTRUCTIONS

- A. Have you had any experience in marketing housing to the group(s) identified above as least likely to apply to this project? yes
 no.
- B. Staff training is to include: Fair housing laws and regulations, Outreach and Affirmative Fair Housing Marketing Plan. Please indicate below how this is to be accomplished.

All property management office staff has been certified in fair housing.

Project Owner: By: Dorchester Way Limited Partnership
By: City Lands Corporation
By: Lennox G. Jackson Development Officer
Name Title
Lennox G. Jackson May 20, 1993
Signature Date

Marketing/Management Agent: By: Dorchester Way Limited Partnership
By: City Lands Corp. Property Management
By: Lynn Y. Railsback Vice Pres. & Dir. of Prop. Mgmt.
Name Title
Lynn Y. Railsback
Signature Date

Approved: Daniel R. DeLong, Jr. Asst. Manager, Marketing & Research
Name Title
Daniel R. DeLong, Jr. 6/2/93
Signature Date

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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for and residing in said County, in the State aforesaid, do hereby certify that J. WHEELAN and Gregory S. Kasprzyk, VICE PRESIDENT and ASSISTANT SECRETARY of the American National Bank and Trust Company of Chicago (the "Bank"), respectively, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, as such VICE PRESIDENT and ASSISTANT SECRETARY, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said Bank as Trustee of the aforesaid Trust.

GIVEN under my hand and Notarial Seal, this JUN 30 1993 day of _____, 1993.

Michelle M. Trigo
Notary Public



Notary Public

My commission expires: _____

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