



City of Chicago



F2023-24

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	4/19/2023
Sponsor(s):	Dept./Agency
Type:	Report
Title:	Issuance of multi-family housing revenue bonds Series 2023A and 2023B to Churchview Homes Project
Committee(s) Assignment:	



DEPARTMENT OF FINANCE
CITY OF CHICAGO

MARCH 15, 2023

Anna M. Valencia
Office of the City Clerk
121 North LaSalle Street
Room 107
Chicago, Illinois 60602

RE: Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the "Series 2023A Bonds") and Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the "Series 2023B Bonds" and collectively with the Series 2023A Bonds, the "Bonds").

Dear Ms. Valencia:

Attached is the Notification of Sale which is required to be filed with your office pursuant to Section 9 of the ordinance passed on November 16, 2022, authorizing the issuance of Multi-Family Housing Revenue Bonds, by the City Council authorizing an aggregate principal amount not to exceed \$14,000,000 for Churchview Homes Project, Series 2023A and 2023B.

Chicago City Clerk - Council Div.
2023 MAR 15 AM 11:54

Please direct this filing to the City Council.

Very Truly Yours,

Jennie Huang Bennett
Chief Financial Officer

**DETERMINATION CERTIFICATE
AND
NOTIFICATION OF SALE
OF**

Chicago City Clerk-Council Div.
2023 MAR 15 AM 11:54

**CITY OF CHICAGO
\$11,900,000
MULTI-FAMILY HOUSING REVENUE BONDS
(CHURCHVIEW HOMES PROJECT), SERIES 2023**

consisting of

\$7,000,000 Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023A
and
\$4,900,000 Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023B

Dated: March 8, 2023

To: The City Council of the City of Chicago

Please be advised that responsive to authorization contained in the Bond Ordinance adopted by the City Council (the "**City Council**") of the City of Chicago (the "**City**") on November 16, 2022 (the "**Ordinance**"), providing for the issuance, execution and delivery of up to \$11,900,000 City of Chicago Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023, consisting of \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the "**Series 2023A Bonds**") and \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the "**Series 2023B Bonds**" and, together with the Series 2023A Bonds, the "**Bonds**"), the following documents were entered into by me, as the Chief Financial Officer, on behalf of the City and, where required, by the City Clerk of the City: the Bond Issuance Agreement, dated as of March 1, 2023, among the City, Legacy Bank & Trust Company, as bondholder (the "**Bondholder**") and Zions Bancorporation, National Association, as Fiscal Agent (the "**Bond Issuance Agreement**"); the Bond Loan Agreement, dated as of March 1, 2023, by and among the City, Churchview Supportive Living Preservation, LP, as borrower (the "**Borrower**") and the Bondholder (the "**Loan Agreement**"); the Land Use Restriction Agreement, dated as of March 1, 2023, between the City and the Borrower, providing certain restrictions on the use and occupancy of the multi-family housing development financed with the proceeds of the Bonds (the "**Land Use Restriction Agreement**"); and the Tax Compliance Agreement, dated March 8, 2023, by and between the City and the Borrower (the "**Tax Compliance Agreement**"). Capitalized terms defined in the Ordinance are used with the same meanings herein.

The Ordinance provided that the Bonds may be issued in an aggregate principal amount of not to exceed \$11,900,000, mature not later than forty (40) years after the date of issue thereof, bear interest at a rate or rates not to exceed twelve (12%) percent per annum, payable on the interest


payment dates as set forth in the Bond Issuance Agreement and this Determination Certificate and Notification of Sale, provided that, subject to such limitation, the Bonds may bear interest at variable interest rates computed from time to time at such rates and on such basis as shall be determined by reference to an established market index as shall be identified in the Bond Issuance Agreement. The Ordinance provided that the Bonds shall be dated, shall be subject to redemption prior to maturity, shall be payable in such places and in such manner and shall have such other details and provisions as are prescribed by the Bond Issuance Agreement, the form of the Bonds therein and this Determination Certificate and Notification of Sale.

The Bonds are being sold to the Bondholder at a purchase price of \$11,900,000, plus accrued interest, which sale price is equal to 100% of the principal amount thereof plus accrued interest. The costs of issuance of the Bonds being paid with proceeds of the Bonds, if any, do not exceed two (2%) percent of the aggregate principal amount of the Bonds. The Series 2023A Bonds mature on March 8, 2025, which may be extended for six (6) months from the maturity date and are not subject to redemption and bear interest on the first day of each month commencing on April 1, 2023, as provided in the Bond Issuance Agreement. The Series 2023B Bonds mature on March 8, 2025, *provided however*, upon conversion to the permanent loan, mature two hundred four (204) months after the date of the Series 2023 Bonds, which may be extended for six (6) months and are subject to redemption and bear interest on the first day of each month commencing on April 1, 2023, as provided in the Bond Issuance Agreement.

[Remainder of Page Intentionally Left Blank]

Attached hereto as Exhibits A, B, C and D, respectively, are executed copies of the Bond Issuance Agreement, the Loan Agreement, the Land Use Restriction Agreement and the Tax Agreement.

This Determination Certificate and Notification of Sale respectfully submitted on the day shown on the first page hereof.

By: 
Jennie Huang Bennett
Chief Financial Officer

CITY OF CHICAGO

**\$11,900,000
MULTI-FAMILY HOUSING REVENUE BONDS
(CHURCHVIEW HOMES PROJECT), SERIES 2023**

consisting of

\$7,000,000 Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023A
and
\$4,900,000 Multi-Family Housing Revenue Bonds

**ACKNOWLEDGMENT OF FILING
OF
DETERMINATION CERTIFICATE AND NOTIFICATION OF SALE**

The Determination Certificate and Notification of Sale of (i) the \$7,000,000 principal amount of City of Chicago Multi-Family Housing Revenue Bonds (Churchview Homes Project), 2023A and (ii) the \$4,900,000 City of Chicago Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B was filed in the office of the City Clerk of the City of Chicago, this 8th day of March, 2023.

[SIGNATURE PAGE FOLLOWS]

This Acknowledgement of Filing of Determination Certificate and Notification of Sale respectfully submitted on the day shown on the first page hereof.

By: Andrea M. Valencia
Andrea M. Valencia
City Clerk

[SEAL]

APPENDIX A

TERMS OF MULTI-FAMILY FINANCING

Re: \$11,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023 (the "Bonds") consisting of \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the "Series 2023A Bonds") and \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the "Series 2023B Bonds")

The Series 2023A Bonds are dated March 8, 2023, mature on March 8, 2025 (unless extended for 6 months at the request of Churchview Supportive Living Preservation, LP (the "Borrower")) until September 8, 2025 and are in the principal amount of \$7,000,000. The Series 2023A Bonds are payable on and in such places and in such manner, are subject to prepayment and bear interest as described in the Bond Issuance Agreement.

The Series 2023B Bonds are dated March 8, 2023, mature on December 1, 2063 (though are expected to be mandatorily prepaid on or before March 1, 2040), and are in the principal amount of \$4,900,000. The Series 2023B Bonds are payable on and in such places and in such manner, are subject to prepayment and bear interest as described in the Bond Issuance Agreement.

EXHIBIT A

BOND ISSUANCE AGREEMENT

**[A COPY OF THE BOND ISSUANCE AGREEMENT TO BE FILED WITH THE CITY
CLERK]**

Please see Transcript Item I.1

EXHIBIT B-1

SERIES 2023A BONDS

Please see Transcript Item 1.2

EXHIBIT B-2

SERIES 2023B BONDS

Please see Transcript Item 1.3

EXHIBIT C

LOAN AGREEMENT

[A COPY OF THE BOND LOAN AGREEMENT TO BE FILED WITH THE CITY CLERK]

Please see Transcript Item 1.4

EXHIBIT D-1

BORROWER SERIES 2023A NOTE

Please see Transcript Item 1.5

EXHIBIT D-2

BORROWER SERIES 2023B NOTE

Please see Transcript Item I.6

EXHIBIT E

LAND USE RESTRICTION AGREEMENT

[A copy of the Land Use Restriction Agreement to be filed with the City Clerk]

[Please see Transcript Item I.7]

EXHIBIT A
BOND ISSUANCE AGREEMENT

[see attached]

BOND ISSUANCE AGREEMENT

among

CITY OF CHICAGO

as Issuer

LEGACY BANK & TRUST COMPANY,

as Bondholder

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,

as Fiscal Agent

Dated as of March 1, 2023

\$11,900,000

City of Chicago

Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023

consisting of

\$7,000,000 Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023A

and

\$4,900,000 Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023B

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Exhibit A:	Definitions
Exhibit B-1:	Form of Series 2023A Bond
Exhibit B-2:	Form of Series 2023B Bond
Exhibit C:	Legal Description and Address of Project Premises
Exhibit D:	Form of Qualified Transferee Letter
Exhibit E:	Form of Initial Investor Letter

BOND ISSUANCE AGREEMENT

This BOND ISSUANCE AGREEMENT, dated as of March 1, 2023 (this “**Bond Issuance Agreement**”), among the CITY OF CHICAGO, a municipal corporation and home rule unit of local government under the Constitution and laws of the State of Illinois (the “**Issuer**”), LEGACY BANK & TRUST COMPANY, a Missouri chartered bank, as purchaser of the Bonds hereafter described (in such capacity, the “**Bondholder**”), and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association, as fiscal agent for the Bonds (in such capacity, the “**Fiscal Agent**”), WITNESSETH:

WHEREAS, by virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois, the Issuer is a home rule unit of local government and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, as a home rule unit and pursuant to the Constitution, the Issuer is authorized and empowered to issue multi-family housing revenue bonds for the purpose of financing the cost of acquiring, constructing, and renovating an affordable multi-family housing development for low- and moderate-income families located in the City of Chicago, Illinois (the “**City**”); and

WHEREAS, the Issuer has determined to issue, sell and deliver the \$11,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023, consisting of the \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the “**Series 2023A Bonds**” and the \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the “**Series 2023B Bonds**” and collectively with the Series 2023A Bonds, the “**Bonds**”), as provided herein, and to lend the proceeds thereof to Churchview Supportive Living Preservation, LP, an Illinois limited partnership (the “**Borrower**”), for the purpose of financing a portion of the cost of acquisition, rehabilitation and equipping of the Project (as hereinafter defined); and

WHEREAS, Churchview Supportive Living Preservation, LLC, an Illinois limited liability company, is the general partner of the Borrower (the “**General Partner**”); and

WHEREAS, the Issuer, the Bondholder and the Borrower have entered into a Bond Loan Agreement, dated as of March 1, 2023 (the “**Bond Loan Agreement**”) providing for the loan of the proceeds of the Bonds to the Borrower for the purposes of financing a portion of the costs of the below-defined Project, and other purposes described herein; and

WHEREAS, the Bond Loan Agreement provides for the issuance by the Borrower of the Borrower Notes (as hereinafter defined); and

WHEREAS, pursuant to the terms hereof, the Issuer will pledge and assign the Borrower Notes and the Bond Loan Agreement to the Bondholder; and

WHEREAS, the Bonds are secured by and payable from Revenues (as hereinafter defined) and the other security provided herein, including the Borrower Collateral Documents (as hereinafter defined); and

WHEREAS, it has been determined that the Bonds should be issued, sold and delivered, to provide funds in order to make loans to the Borrower to pay a portion of the cost of acquiring, rehabilitating and equipping the below-defined Project and related expenses; and

WHEREAS, all things necessary to make the Bonds, when authenticated by the Fiscal Agent and issued as provided in this Bond Issuance Agreement, the legal, valid and binding limited obligations of the Issuer according to the terms thereof, and to constitute this Bond Issuance Agreement a valid assignment and pledge of the amounts assigned and pledged to the payment of the principal of and interest on the Bonds, and a valid assignment and pledge of the right, title and interest of the Issuer under the Bond Loan Agreement (except that Issuer shall retain the Issuer Reserved Rights) and the Borrower Notes, have been done and performed, and the creation, execution and delivery of this Bond Issuance Agreement, and the creation, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS BOND ISSUANCE AGREEMENT WITNESSETH:

That the Issuer in consideration of the promises and the mutual covenants contained herein, and of the purchase and acceptance of the Bonds by the Bondholder, and of the sum of one dollar, in lawful money of the United States of America, to it duly paid by the Bondholder at or before the execution and delivery of these presents, and for other good and valuable consideration (the receipt, sufficiency and adequacy of which are hereby acknowledged), in order to secure the payment of the principal of and interest on the Bonds according to their tenor and effect, and in order to secure the performance and observance by the Issuer of all the covenants and conditions expressed or implied herein and in the Bonds, does hereby grant, bargain, sell, convey, assign and pledge, and grant a security interest in, the following described property (collectively, the **"Security for the Bonds"**), to the Bondholder, forever, to the extent provided in this Bond Issuance Agreement:

GRANTING CLAUSE FIRST

All right, title, interest and benefits of the Issuer in and to the Bond Loan Agreement (except that Issuer shall retain the Issuer Reserved Rights) and the Borrower Notes (including all extensions and renewals of the term thereof, if any), including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any of the income, revenues, issues and profits and other sums of money payable or receivable thereunder, whether payable in respect of the indebtedness thereunder or otherwise, to issue approvals, authorizations and directions, to receive notices, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things that the Issuer is or may become entitled to do under the Bond Loan Agreement and the Borrower Notes, provided that the assignment made by this clause shall not impair or diminish any obligation of the Issuer under the Bond Loan Agreement to the extent provided therein;

GRANTING CLAUSE SECOND

All moneys and securities of the Issuer from time to time held by the Fiscal Agent or by the Bondholder under the terms of this Bond Issuance Agreement, and any and all other real or personal property of every type and nature from time to time hereafter by delivery or by writing

of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder, by the Issuer or by anyone on its behalf, or with its written consent, to the Fiscal Agent or the Bondholder, each of whom is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof; and

GRANTING CLAUSE THIRD

All right, title and interest of the Issuer in and to the Borrower Collateral Documents, if any, including moneys and investments held pursuant thereto, subject to the provisions thereof permitting the use of funds held thereunder to or for the uses therein provided.

TO HAVE AND TO HOLD all and singular the Security for the Bonds, whether now owned or hereafter acquired, unto the Bondholder and its successors and assigns forever.

THIS BOND ISSUANCE AGREEMENT FURTHER WITNESSETH, and it is expressly declared, that the Bonds issued, from time to time, pursuant to the Ordinance and secured hereunder are to be issued, authenticated and delivered, and all said property, rights and interest, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and covenant with the Fiscal Agent and with the Bondholder as follows (subject, however, to the provisions of Section 2.08 hereof):

ARTICLE I DEFINITIONS AND INTERPRETATIONS

Section 1.01. Definitions. Capitalized terms used in this Bond Issuance Agreement without definition shall have the respective meanings given to such terms in Section 1.1 of the Bond Loan Agreement and in **Exhibit A** attached hereto and made a part hereof, unless the context or use clearly indicates another or different meaning or intent.

Section 1.02. Interpretation. In this Bond Issuance Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(i) the words “hereby,” “hereof,” “herein,” “hereunder” and any similar words used in this Bond Issuance Agreement refer to this Bond Issuance Agreement as a whole and not to any particular Article, Section or other subdivision, the word “heretofore” shall mean before, the word “hereafter” shall mean after, the date of this Bond Issuance Agreement, and the word “including” shall mean “including, without limitation;”

(ii) all accounting terms not otherwise defined herein shall have the meanings assigned to them in accordance with generally accepted accounting principles;

(iii) any headings preceding the text of the several Articles and Sections of this Bond Issuance Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Bond Issuance Agreement nor affect its meaning, construction or effect;

(iv) words importing the redemption or redeeming of the Bonds or the calling of the Bonds for redemption do not include or connote the payment of the Bonds at their stated maturity or the purchase of the Bonds;

(v) any certificate, letter or opinion required to be given pursuant to this Bond Issuance Agreement shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth, or setting forth matters to be determined pursuant to this Bond Issuance Agreement; and

(vi) the recitals and granting clauses appearing above are an integral part hereof and are fully incorporated herein by this reference.

ARTICLE II BONDS

Section 2.01. Authorization of Bonds. The Bonds shall be issued, from time to time, under the provisions of this Bond Issuance Agreement in accordance with this Article.

Section 2.02. Issuance of Bonds; Payments. (a) The Series 2023A Bonds shall be designated "City of Chicago Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A," and shall be issued in substantially the form of **Exhibit B-1** hereto. The Series 2023A Bonds shall mature on the Series 2023A Bonds Maturity Date, shall bear interest on disbursed amounts from the respective dates of disbursement, and shall be issuable only as a registered bond or bonds without coupons. The Series 2023A Bonds shall be lettered and numbered R-1.

(b) The Series 2023B Bonds shall be designated "City of Chicago Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B," and shall be issued in substantially the form of **Exhibit B-2** hereto. The Series 2023B Bonds shall mature on the Series 2023B Bonds Maturity Date, shall bear interest on disbursed amounts from the respective dates of disbursement, and shall be issuable only as a registered bond or bonds without coupons. The Series 2023B Bonds shall be lettered and numbered R-1.

(c) Principal of the Bonds shall be advanced in the amount of not to exceed \$11,900,000 on the Closing Date. In the event that the entire face amount of the Bonds is not advanced on the Closing Date, principal of the Bonds thereafter shall be disbursed by the Bondholder in multiple advances over time as provided in Articles IX, X and XI of the Bond Loan Agreement. The amount of Bonds actually issued may not exceed the limitation set forth in Section 9.2(b) of the Bond Loan Agreement.

(d) The Bonds shall be dated the Closing Date. Any Bond issued in substitution therefor at any time thereafter shall be dated its respective date of delivery.

(e) Except to the extent that the provisions of Article III or Section 7.02 hereof with respect to redemption or acceleration prior to maturity may become applicable hereto, the Bonds shall mature as to principal as provided above.

(f) All payments on the Bonds shall be first applied to interest on the unpaid principal balance and then to the unpaid principal balance. No repayment of principal of or interest on the Bonds may be re-advanced by the Bondholder. The Bondholder shall make all notations upon the Bonds or in the Bondholder's books and records as provided in Section 2.3(c) of the Bond Loan Agreement.

(g) The principal of and interest on the Bonds shall be payable in lawful money of the United States of America. Such principal and interest shall be payable at the principal office of the Bondholder or as otherwise directed in writing by the Bondholder.

(h) The Series 2023A Bonds Maturity Date shall be March 8, 2025 (2 years from Closing Date), subject to extension as provided below. The Series 2023A Bonds Maturity Date may be extended on a one-time basis for six (6) months until September 8, 2025, upon the occurrence of the following:

(i) the Borrower shall have made a written request to the Bondholder at least 30 days and not more than 120 days prior to March 8, 2025 to extend the Series 2023A Bonds Maturity Date for six months to the date specified above;

(ii) there shall not exist any Default or Event of Default at the time of the extension request or at the time of the extension;

(iii) the Project is Complete within the meaning of Section 7.11(b) of the Bond Loan Agreement;

(iv) the Borrower and Greater Southwest Development Corporation (the "**Guarantor**" with respect to the Series 2023A Bonds) are in compliance with all financial covenants set forth in the Bond Loan Agreement or the Borrower Collateral Documents, as applicable, as reflected in the most recent financial statements of the Borrower and the Guarantor provided pursuant to the Bond Loan Agreement or Borrower Collateral Documents and there shall have been no material adverse change in the business or financial condition of the Borrower or the Guarantor;

(v) the Borrower pays to the Bondholder (x) an extension fee equal to one-half percent (0.50%) of the outstanding amount under the Series 2023A Borrower Note and (y) all out-of-pocket expenses associated with the extension;

(vi) all applicable regulatory requirements, including appraisal requirements, shall have been satisfied with respect to the extension;

(vii) (1) the extension shall have been documented to the satisfaction of the Bondholder; and (2) the Bondholder shall have received updated title coverage (if requested) and endorsements and UCC, judgment and lien searches satisfactory to it; and

(viii) Evidence that all interest and other reserves required by Bondholder, the Limited Partner and the Subordinate Lenders to be capitalized to date, if any, are adequately capitalized and shall be available during the duration of the extension period.

(i) The Series 2023B Bonds Maturity Date of the Series 2023B Bonds shall be the date that is 204 months from the Closing Date.

Section 2.03. Interest Rates on Bonds. (a) The unpaid portion of the principal amount of the Series 2023A Bonds that has been advanced shall bear interest at 7.75% (the “**Series 2023A Bonds Interest Rate**”).

(b) Prior to the Conversion Date, as defined in the Loan Agreement, the unpaid portion of the principal amount of the Series 2023B Bonds that has been advanced shall bear interest at a rate equal to 7.75% (the “**Series 2023B Bonds Construction Interest Rate**”).

(c) After the Conversion Date, the outstanding balance of the Series 2023B Bonds shall bear interest at a rate of 5.9%, as set by the Bondholder (the “**Series 2023B Bonds Permanent Interest Rate**”).

Section 2.04. Payment Dates

(a) Series 2023A Bonds. Prior to maturity, accrued and unpaid interest at the Series 2023A Bonds Interest Rate shall be due and payable in arrears on the first day of each month commencing April 1, 2023. The entire principal balance of the Series 2023A Bonds, then unpaid, together with all accrued and unpaid interest and all other amounts payable hereunder and under the Loan Agreement shall be due and payable in full twenty-four (24) months after the date of the Series 2023A Bonds, which is the maturity date of the Series 2023A Bonds (the “**Series 2023A Bonds Maturity Date**”).

(b) Series 2023B Bonds. Prior to the Conversion Date, accrued and unpaid interest at the Series 2023B Bonds Construction Interest Rate, shall be due and payable in arrears on the first day of each month commencing on April 1, 2023. If the Conversion to the Permanent Loan has not occurred, any remaining principal and interest shall be due and payable on the Construction Loan Maturity Date, as such may be extended pursuant to the Loan Agreement, or on any earlier date on which the unpaid principal balance of the Series 2023B Bonds becomes due and payable, by acceleration or otherwise. The Construction Loan Maturity Date shall mean the date that is twenty-four (24) months from the date of the Series 2023B Bonds (the “**Construction Loan Maturity Date**”). The unpaid principal balance shall continue to bear interest after the Construction Loan Maturity Date at the Past Due Rate until and including the date on which the Series 2023B Bonds are paid in full. Bondholder shall grant a request by Borrower to extend the Construction Loan Maturity Date for six (6) months, upon and subject to the following terms and conditions in the Continuing Covenants Agreement: payment of principal and interest for each Interest Accrual Period shall be due and payable commencing on the 1st day of the calendar month after the calendar month in which the Conversion Date occurs and continuing on the 1st day of each calendar month thereafter (each a “**Scheduled Payment Date**”) in an amount equal to \$26,918.47 (the “**Monthly Permanent Loan Payment Amount**”) until the entire unpaid principal balance evidenced by the Series 2023B Bonds is paid in full. The Monthly Permanent Loan Payment Amount is based upon a forty (40) year amortization. Any remaining principal and interest shall be due and payable 204 months after the date of the Series 2023B Bond or on any earlier date on which the unpaid principal balance of the Series 2023B Bonds becomes due and payable, by acceleration or otherwise (the “**Maturity Date**”). The unpaid principal balance shall

continue to bear interest after the Maturity Date at the Past Due Rate until and including the date on which it is paid in full.

Section 2.05 Interest on Amounts Past Due. Notwithstanding anything in this Article II to the contrary, if the Issuer shall fail to make any of the payments required to be made by it under this Bond Issuance Agreement, including, without limitation, any mandatory redemption required by Section 3.02 of this Bond Issuance Agreement, or under the Bonds, such payment shall continue as an obligation of the Issuer until the unpaid amount overdue shall have been fully paid and interest on the principal amount of the respective series of Bonds so overdue shall continue to accrue at the applicable Past Due Rate, from the date such payment was due until the date such payment is made or the date the applicable Series of Bonds has been repaid in full, whichever is earlier.

Section 2.06 Transfers of Bonds. The Bonds may be transferred in whole, and not in part, but only to a single Qualified Transferee that is reasonably acceptable to the Issuer, which Qualified Transferee shall execute and deliver to the Issuer a letter in the form of the Qualified Transferee letter attached hereto as **Exhibit D**; all of the Bonds shall be so transferred if any of the Bonds are so transferred. Successive transfers of the Bonds are permitted, subject to the limitations set forth in this Section. Notwithstanding the foregoing, the Bondholder may sell participating interests in the Bonds in accordance with applicable law.

Section 2.07 Funding Losses. As provided in the Bond Loan Agreement, the Borrower will indemnify the Bondholder upon demand against any loss or expense, including, without limitation, reasonable attorneys' fees and expenses, which the Bondholder may sustain or incur (including, without limitation, any loss or expense sustained or incurred in obtaining, liquidating or employing deposits or other funds acquired to effect, fund or maintain the Loan and/or the Bonds) as a consequence of any failure of Borrower to make any payment when due of any amount due hereunder. Determinations by the Bondholder for purposes of this Section of the amount required to indemnify the Bondholder shall be conclusive in the absence of manifest error.

Section 2.08 Execution; Limited Obligation. (a) The Bonds shall be executed on behalf of the Issuer with the manual or facsimile signature of its Mayor and shall be acknowledged by the manual or facsimile signature of the City Clerk or Deputy City Clerk of the Issuer, and the seal of the Issuer shall be impressed, imprinted or reproduced thereon. In case any officer whose signature shall appear on the Bonds shall cease to be such officer before the delivery of the Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery. The Bonds may be signed on behalf of the Issuer by such persons who, at the time of the execution of the Bonds, are duly authorized or hold the appropriate offices of the Issuer, although on the date of the Bonds such persons were not so authorized or did not hold such offices.

(b) THE BONDS AND THE INTEREST THEREON CONSTITUTE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE PAYMENTS TO BE MADE BY THE BORROWER UNDER THE BOND LOAN AGREEMENT OR FROM THE OTHER SOURCES SPECIFIED OR REFERRED TO IN THIS BOND ISSUANCE AGREEMENT, ALL OF WHICH ARE SPECIFICALLY ASSIGNED AND PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN. THE

BONDS AND ALL OTHER OBLIGATIONS OF THE ISSUER IN CONNECTION THEREWITH DO NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE ISSUER NOR THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF, SHALL BE LIABLE THEREON, NOR IN ANY EVENT SHALL THE BONDS OR OTHER OBLIGATIONS BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE PLEDGED UNDER THIS BOND ISSUANCE AGREEMENT. THE BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT PROVISION.

Section 2.09 Authentication. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Issuance Agreement unless and until a certificate of authentication on such Bond, substantially in the form herein set forth, shall have been duly executed by the Fiscal Agent, and such executed certificate of the Fiscal Agent upon a Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Bond Issuance Agreement. The Fiscal Agent's certificate of authentication on a Bond shall be deemed to have been executed by it if manually signed by an authorized signatory of the Fiscal Agent.

Section 2.10 Form of the Bonds and Temporary Bonds. (a) The Bonds, and the Fiscal Agent's certificates of authentication to be endorsed thereon, shall be in substantially the form herein set forth, with such variations, omissions and insertions as are permitted or required by this Bond Issuance Agreement. The Bonds shall provide that the principal thereof and interest thereon shall be payable only out of Revenues.

(b) A Bond may be initially issued in temporary form exchangeable for a definitive Bond when ready for delivery. Each temporary Bond shall be in the same denomination as the Bond it is issued in lieu of, and such temporary Bond may contain such reference to any of the provisions of this Bond Issuance Agreement as the Issuer may deem appropriate. Every temporary Bond shall be executed by the Issuer and shall be authenticated by the Fiscal Agent upon the same conditions, and in substantially the same manner, as the definitive Bond it is issued in lieu of. If the Issuer issues a temporary Bond in lieu of a definitive Bond, the Issuer shall execute and furnish the definitive Bond without delay, and thereupon the temporary Bond shall be surrendered for cancellation in exchange therefor at the Designated Office of the Fiscal Agent, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bond a definitive registered Bond of the same series and maturity, and in the same denomination bearing the same interest rate. Until so exchanged, the temporary Bond shall be entitled to the same benefits under this Bond Issuance Agreement as the definitive Bond it is issued in lieu of, but only to the extent that such temporary Bond is authenticated and delivered hereunder.

Section 2.11 Delivery of the Bonds. (a) Upon (i) receipt by the Issuer of a duly executed Initial Investor Letter from the Bondholder, (ii) the execution and delivery of this Bond Issuance Agreement, the Bond Loan Agreement, the Bonds, the Borrower Notes, the Borrower Collateral Documents and the Tax Certificate and the delivery of the Security for the Bonds, (iii) the execution, delivery and recording of the Land Use Restriction Agreement, and the receipt by the Issuer of evidence of the priority of the Land Use Restriction Agreement over the Borrower Collateral Documents, (iv) delivery by the Issuer to the Fiscal Agent of a copy of the Ordinance,

certified by the Issuer to be in full force and effect, and (v) receipt by the Issuer of an opinion of Bond Counsel to the effect that the Bonds have been duly authorized and issued, and that interest thereon is excluded from gross income of the owners thereof for federal income tax purposes, the Issuer shall execute and deliver to the Fiscal Agent and the Fiscal Agent shall authenticate the Bonds and deliver the Bonds to the Bondholder as directed by the Issuer.

(b) Advances of proceeds under the Bonds shall be paid by the Bondholder over to the Fiscal Agent as received from time to time and deposited in the Construction Escrow pursuant to Article IV hereof and the Continuing Covenants Agreement. Promptly following the approval by the Bondholder of each written request for a disbursement of Bond proceeds in accordance with the provisions of the Bond Loan Agreement, the Bondholder shall advance to the Fiscal Agent sufficient moneys to permit the Fiscal Agent to make the approved disbursement in question (taking into account for such purpose any available moneys in the Construction Escrow that were previously advanced under this Section 2.11 and not yet disbursed).

Section 2.12 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like date, maturity, series, interest rate and denomination as the Bond mutilated, lost, stolen or destroyed. In each such case, the applicant for a substitute Bond shall furnish to the Issuer and the Fiscal Agent such security or indemnity as may be required by them to save each of them harmless. In each case of loss, theft or destruction, the applicant shall furnish to the Issuer and the Fiscal Agent evidence to their satisfaction of the loss, theft or destruction of such Bond and of the ownership thereof, and in each case of the mutilation of any Bond, the applicant shall surrender the mutilated Bond to the Fiscal Agent. Upon the issuance of a substitute Bond, the Issuer and the Fiscal Agent may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses and fees connected therewith. In the event any Bond has matured or is about to mature and is mutilated, lost, stolen, or destroyed, the Issuer may, instead of the issuing a substitute Bond as permitted by this Section, pay or authorize the payment of the same upon satisfaction of the conditions set forth above.

Section 2.13 Bond Registrar; Registration Books; Persons Treated as Bondholder; Restrictions on Transfer. (a) The Fiscal Agent, which is hereby constituted and appointed the Bond Registrar of the Issuer, shall keep books for the registration and transfer of the Bonds, as provided in this Bond Issuance Agreement. Upon surrender for transfer of the Bonds at the Designated Office of the Fiscal Agent, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Fiscal Agent and duly executed by the registered owner or his attorney duly authorized in writing, and accompanied by a Qualified Transferee Letter executed by the party to whom the Bonds are to be transferred, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver in the name of the transferee, new Bonds of the same series, interest rates and maturities for like principal amounts. No Bond may be transferred in part, and all Bonds shall be transferred as a whole, so at all times there is but one registered owner of all of the Bonds issued and outstanding hereunder; provided that the Bondholder may, subject to applicable law, transfer participations in the Bonds. Upon the making of any such transfer, the transferor may assign to the transferee its interests in, to and under the Borrower Notes and the Borrower Collateral Documents, and in the event of any such assignment, the transferor shall notify the Issuer and the Borrower of such assignment.

(b) Any exchange of a temporary Bond for a definitive Bond shall be without charge, except for the payment of any tax, fee or other governmental charge. With respect to any other exchange or transfer, the Fiscal Agent may charge a sum not exceeding the actual cost (if any) of printing new Bonds to be issued upon such exchange or transfer, together with reasonable expenses of the Fiscal Agent in connection therewith. In each case the Fiscal Agent shall require the payment by the registered owner of the Bond requesting exchange, registration or transfer, of any tax, fee or other governmental charge required to be paid with respect to such exchange, registration or transfer. All Bonds surrendered upon exchange or transfer provided for in this Bond Issuance Agreement shall be promptly cancelled by the Fiscal Agent and thereafter disposed of in accordance with Section 2.14 hereof.

(c) The Person in whose name the Bonds shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal thereof or interest thereon, shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Bonds to the extent of the sum or sums so paid.

Section 2.14 Cancellation of Bonds. Whenever any Bond shall be delivered to the Fiscal Agent for cancellation pursuant to this Bond Issuance Agreement, upon payment of the principal and interest represented thereby, or for replacement, transfer or exchange pursuant to Section 2.13 hereof, such Bond shall be promptly cancelled and destroyed by the Fiscal Agent, and a certificate as to such cancellation and destruction shall be furnished by the Fiscal Agent to the Issuer and the Borrower.

Section 2.15 Conditions to Bondholder's Purchase of Bonds. The Bondholder's obligation to purchase and accept the delivery of the Bonds is expressly conditioned upon the following:

- (a) No Event of Default or Default shall exist hereunder;
- (b) The representations and warranties of the Issuer contained herein and in the Bond Loan Agreement shall not prove to be incorrect or misleading in any material respect;
- (c) The Bondholder shall have received an opinion of Bond Counsel in form acceptable to Bondholder to the effect that the interest payable on the Bonds is excludable from the federal gross income of the Bondholder;
- (d) the Bondholder shall have received all of the Borrower Collateral Documents, the Continuing Covenants Agreement in form acceptable to Bondholder;
- (e) the conditions precedent to the first disbursement of the proceeds of the Loan set forth in Articles X and XI of the Bond Loan Agreement and the Continuing Covenants Agreement have been satisfied;
- (f) the Bondholder shall have received payment of its transaction fees relating to the purchase of the Bonds equal to one percent (1.00%) of the authorized principal amount of the Bonds payable on the Closing Date (amount equal to \$119,000) and an additional amount equal to

one percent (1%) of the face amount of the Series 2023 Bonds (an amount equal to \$49,000) payable on Conversion Date for Series 2023B Bonds;

(g) Bondholder's credit committee shall have issued formal credit approval of Bondholder's purchase of the Bonds and the conditions precedent to the Bondholder's purchase of the Bonds set forth in said credit approval and the Summary of Terms and Conditions dated March 1, 2023 and accepted by Borrower on March 1, 2023 between the Bondholder and the Borrower, as amended, shall have been met to the satisfaction of the Bondholder (or been waived by the Bondholder). The Bondholder's purchase of the Bonds shall establish conclusively that these conditions have been met.

ARTICLE III REDEMPTION OF BONDS BEFORE MATURITY

Section 3.01. Optional Redemption. The Series 2023A Bonds are not subject to optional redemption prior to maturity. The Series 2023B Bonds are subject to optional redemption prior to maturity, but after construction has been Completed, on any Business Day by the Issuer pursuant to the request of the Borrower in accordance with Section 3.1(a) of the Bond Loan Agreement, in whole or in part (and, if in part, at the direction of the Borrower as to the principal amount to be redeemed), at a redemption price of 100% of the principal amount thereof being redeemed, without premium, plus accrued interest to the date fixed for redemption. A Pre-Payment Fee equal to 1% of the prepaid amount will be assessed if the Series 2023B Borrower Note is paid off within 24 months following the Conversion Date. There will be no fee for pre-payment assessed if the Series 2023B Borrower Note is pre-paid through a refinance with M&T Realty Capital Corporation. To effect such redemption, the Borrower shall give written notice to the Bondholder and the Issuer not less than two (2) Business Days prior to the applicable redemption date. The Borrower may withdraw any such notice, and revoke the election made therein, by giving written notice of such withdrawal and revocation to the Bondholder and the Issuer on or before the date fixed for redemption. Any partial redemption of the Bonds shall be applied pro rata amongst all principal amortization payments, except as otherwise agreed by the Borrower and the Bondholder.

Section 3.02. Mandatory Redemption. The Series 2023A Bonds are not subject to mandatory redemption prior to maturity. The Series 2023B Bonds are subject to mandatory redemption by the Issuer prior to maturity, but after construction has reached Substantial Completion, on any Business Day, in whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed, plus accrued interest to the date fixed for redemption, and without premium, under the following circumstances and from the following sources:

(a) *Insurance Proceeds*. To the extent of insurance or condemnation payments are received with respect to the Project and the Borrower Collateral Documents provide that such amounts are to be applied to the prepayment of the Series 2023B Borrower Note and the redemption of Series 2023B Bonds, such amounts will be used to redeem Series 2023B Bonds;

(b) *Taxability*. Within thirty (30) days following the occurrence of a Determination of Taxability, the Series 2023B Bonds will be redeemed.

ARTICLE IV REVENUES AND FUNDS

Section 4.01. Revenues; Payment Notations. (a) The Fiscal Agent is authorized and directed, subject to Section 7.06 of this Bond Issuance Agreement, to apply all available Revenues to the payment of the principal of and interest on the Bonds as and when received, including, without limitation, (i) any amount in the Construction Fund, the Construction Escrow or the escrow account referred to in Section 9.4 of the Bond Loan Agreement, in either case to the extent provided in such Section; (ii) all payments specified in Section 2.2(a) of the Bond Loan Agreement, including, without limitation, payments on the Borrower Notes and amounts applied to payment of the Borrower Notes under the Borrower Collateral Documents; (iii) all prepayments specified in Article III of the Bond Loan Agreement, including, without limitation, prepayments made on the Borrower Notes; (iv) all amounts deposited to the Loan Payment Fund established pursuant to Section 4.06, below, and (v) all other moneys received by the Bondholder under and pursuant to any of the provisions of the Bond Loan Agreement that are required or are accompanied by directions that such moneys are to be applied to the payment of the principal of and interest on the Bonds. Except as otherwise directed in Article III hereof, all Revenues shall be applied (y) first, to the payment of interest on the Bonds, and (z) second to the payment of principal of the Bonds.

(b) Subject to Section 2.08 hereof, the Issuer hereby covenants and agrees that as long as the Bonds are outstanding it will pay, or cause to be paid, to the Bondholder, sufficient sums from Revenues promptly to meet and pay the principal of and interest on the Bonds as the same become due and payable. Nothing herein shall be construed as requiring the Issuer to use any funds or revenues from any source other than Revenues.

(c) The Fiscal Agent shall note on the payment record attached as Schedule A to each series of the Bonds, or in the Fiscal Agent's books and records relating to each series of the Bonds, the date and amount of (i) each draw increasing the principal amount of such series of the Bonds, and (ii) each payment of principal (whether at maturity or upon acceleration or prior redemption) and/or interest on such series of the Bonds. The information so recorded shall be rebuttable presumptive evidence of the accuracy thereof. The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Issuer hereunder or under the Bonds to repay the principal amount thereof together with all interest accruing thereon.

Section 4.02. Creation of Construction Fund; Disbursements. (a) There is hereby created by the Issuer and ordered established with the Fiscal Agent a Fund in the name of the Issuer to be designated "Churchview Homes Construction Fund" (the "**Construction Fund**"). Subject to the Continuing Covenants Agreement, advances of proceeds of the Bonds by the Bondholder shall be deposited in the Construction Fund; provided that advances of Bond proceeds used to pay interest on the Bonds shall be transferred to the Loan Payment Fund and credited to the Bondholder as payment of such interest.

(b) The Issuer hereby authorizes and directs the Fiscal Agent to use the moneys in the Construction Fund, pursuant to the Continuing Covenants Agreement and written requests therefor submitted by the Borrower (except as otherwise provided in Section 4.04 hereof), and approved in

writing by the Bondholder, for payment of the Costs of the Project, and for payment of principal of and interest on the Bonds in accordance with Sections 3.02 and 4.01 hereof and Articles IX, X and XI of the Bond Loan Agreement. Disbursements may be made monthly on the first day of each month. The Fiscal Agent shall keep and maintain adequate records pertaining to the Construction Fund and all disbursements therefrom, and shall promptly, following a written request therefor, submit to the Issuer, the Borrower or the Bondholder copies of all reports. If so directed, amounts therein shall be applied to redeem Bonds pursuant to Section 3.02(a) of this Bond Issuance Agreement. Disbursements may be made on a monthly basis.

(c) Upon the occurrence of an Event of Default under Section 12.1(f) of the Bond Loan Agreement, or a declaration of acceleration following the occurrence of any Event of Default hereunder, or a redemption in whole of the Bonds, any moneys remaining in the respective accounts of the Construction Fund shall be used to pay the principal of and interest then due and unpaid on the Bonds.

(d) Future advances of Bond proceeds may be made to fund interest on the Bonds on each Interest Payment Date prior to the Completion Date, but only upon receipt by the Issuer and the Fiscal Agent of a certification from the Borrower that the amount so advanced represents interest chargeable to the Borrower's capital account for federal tax law purposes. Any amounts so advanced shall be applied to pay interest on the Bonds as it next comes due. Advances of Bond proceeds to pay interest on the Bonds shall not be subject to any other disbursement requirements or conditions set forth in the Bond Loan Agreement, except for the overall condition on the amount of total disbursements set forth in Section 9.2(b) of the Bond Loan Agreement.

(e) Notwithstanding the foregoing, the Bondholder may elect to deposit advances directly into the Construction Escrow created under the Construction Escrow Agreement (and thereby bypass deposits into the Construction Fund entirely); provided that no such election shall obviate the need for the Borrower to comply with the disbursement conditions hereunder and under the Bond Loan Agreement, including, without limitation, the delivery of a Disbursement Request.

Section 4.03. Fiscal Agent's Fees, Charges and Expenses. The Fiscal Agent agrees that the Issuer shall have no liability for any fees, charges and expenses of the Fiscal Agent, and the Fiscal Agent agrees to look only to the Borrower for the payment of all reasonable fees, charges and expenses of the Fiscal Agent as provided in the Bond Loan Agreement and in this Bond Issuance Agreement.

Section 4.04. Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Fiscal Agent for the account of the Construction Fund, the Loan Payment Fund or the escrow account referred to in Section 9.4 of the Bond Loan Agreement under any provision of this Bond Issuance Agreement or the Bond Loan Agreement shall be held by the Fiscal Agent in trust and applied for the purposes herein or therein specified. No Person not a party hereto shall have any rights to the money in the Construction Fund, the Loan Payment Fund or the escrow account referred to in Section 9.4 of the Bond Loan Agreement.

Section 4.05. Repayment of Excess Moneys. Any amounts remaining in any fund, or otherwise paid to the Fiscal Agent on behalf of the Issuer under this Bond Issuance Agreement or the Bond Loan Agreement, after payment in full of the principal of and interest on the Bonds, the

fees, charges and expenses of the Issuer and the Fiscal Agent, and all other amounts required to be paid under this Bond Issuance Agreement and the Bond Loan Agreement shall be paid (a) first, to the Issuer to the extent of any moneys owed by the Borrower to the Issuer, and (b) second, to the Borrower.

Section 4.6. Loan Payment Fund and Expense Fund. (a) There is hereby created by the Issuer and ordered established with the Fiscal Agent a fund in the name of the Issuer to be designated "Churchview Homes Loan Payment Fund" (the "**Loan Payment Fund**"). The Fiscal Agent shall deposit into the Loan Payment Fund any amounts received from the Borrower or Construction Fund as payments of principal of, premium, if any, or interest on the Bonds and any other amounts received by the Fiscal Agent that are subject to the lien and pledge of this Bond Issuance Agreement. The Fiscal Agent shall apply all amounts on deposit in the Loan Payment Fund, to the Bondholder to pay or provide for the payment of the interest, principal, or prepayment then due on the Bonds.

(b) There is hereby created by the Issuer and ordered established with the Fiscal Agent a Fund in the name of the Issuer to be designated "Churchview Homes Expense Fund" (the "**Expense Fund**"). The Expense Fund is hereby created for purposes of collecting any fees of the Issuer, Fiscal Agent, or any other party directed by the Borrower in connection with administering the Bonds.

ARTICLE V INVESTMENT OF MONEYS

Section 5.01. Investment of Moneys. Any moneys held as part of any Account of the Construction Escrow, to the extent not disbursed on the date of deposit therein, may be invested or reinvested by the Fiscal Agent in Eligible Investments in accordance with the provisions of Section 9.6 of the Bond Loan Agreement. The direction and written confirmation specified in Section 9.6 of the Bond Loan Agreement shall specify to the extent applicable the issuer or obligor, the principal amount, maturity date and interest rate of each such Eligible Investment. All such Eligible Investments shall be held by or under the control of the Fiscal Agent and shall be deemed at all times a part of such Account, and the interest accruing thereon, if any, and any profit realized from such Eligible Investments shall be credited to such Account. Any loss resulting from such investments shall be charged to such Account. The Fiscal Agent shall be entitled to rely conclusively on all written investment instructions provided by the Borrower pursuant to Section 9.6 of the Bond Loan Agreement, and the Fiscal Agent shall have no responsibility or liability for any depreciation in the value of any investment or for any loss, direct or indirect, resulting from any investment made in accordance with such direction and written confirmation from the Borrower specified in Section 9.6 of the Bond Loan Agreement.

Section 5.02. Investments through Fiscal Agent's Investment Department. The Fiscal Agent may make any and all investments permitted by the provisions of Sections 5.01 through its own investment department or that of an affiliate. Upon the written direction of the Borrower or the Issuer, the Fiscal Agent shall confirm in writing any investment made with the moneys in the Construction Fund. The Fiscal Agent shall answer all reasonable inquiries from the Borrower or the Issuer as to the status of moneys in each of such Fund or account. The Fiscal Agent shall file

with the Issuer a copy of its statements that it delivers to the Borrower with respect to the investment of any funds held under this Bond Issuance Agreement.

ARTICLE VI GENERAL COVENANTS OF ISSUER

Until payment in full of the Bonds, the Issuer covenants and agrees that each of the covenants, undertakings and agreements set forth in this Section shall be complied with:

Section 6.01. Payment of Principal and Interest. The Issuer covenants that it will promptly pay the principal of and interest on the Bonds at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning hereof and thereof; provided, however, that the Bonds shall be a special, limited obligation of the Issuer payable as to principal and interest solely from the Revenues as provided in Section 2.08 of this Bond Issuance Agreement.

Section 6.02. Performance of Covenants. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations of and provisions applicable to the Issuer contained in this Bond Issuance Agreement and in the Bonds. The Issuer represents that it is duly authorized pursuant to the Ordinance to issue the Bonds, to execute this Bond Issuance Agreement, to pledge and assign the Bond Loan Agreement, the Borrower Notes and the Security for the Bonds, and the amounts payable under the Bond Loan Agreement, the Borrower Notes and the Security for the Bonds, in the manner and to the extent set forth herein; that all action on its part required for the issuance of the Bonds and the execution and delivery of this Bond Issuance Agreement has been duly and effectively taken; and that each of the Bonds in the hands of the Bondholder is and will be a valid and enforceable obligation of the Issuer according to the terms thereof and hereof. Anything contained in this Bond Issuance Agreement to the contrary notwithstanding, it is hereby understood that none of the covenants of the Issuer contained in this Bond Issuance Agreement are intended to create a pecuniary obligation of the Issuer with respect to payment of principal of and interest on the Bonds.

Section 6.03. Assigned Rights; Instruments of Further Assurance. The Issuer represents that the pledge and assignment of the Security for the Bonds to the Bondholder hereby made is valid and lawful. The Issuer covenants that it will defend its interest in and to the Bond Loan Agreement, the Borrower Notes, the Security for the Bonds and the Revenues, and the pledge and assignment thereof to the Bondholder, against the claims and demands of all Persons whomsoever; provided, however, that all reasonable attorneys' fees and expenses incurred by the Issuer in the performance of its obligations under this covenant shall be paid by the Borrower. The Issuer covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such agreements supplemental hereto and such further acts, instruments and transfers as the Bondholder may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Bondholder of the Bond Loan Agreement, the Borrower Notes, the Security for the Bonds and the Revenues, the rights pledged and assigned hereby, and the amounts pledged to the payment of the principal of and interest on the Bonds; provided, however, that the Issuer undertakes no responsibility for the preparation or filing of any such instrument or the maintenance of any security interest intended to be perfected thereby, all of which shall be the responsibility of the Bondholder and the Borrower. The Issuer

covenants and agrees that, except as herein and in the Bond Loan Agreement provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of its interest in and to the Bond Loan Agreement, the Borrower Notes, the Security for the Bonds or the Revenues.

Section 6.04. Recordation and Other Instruments. In order to perfect the security interest of the Bondholder in the Security for the Bonds, the Issuer, to the extent permitted by law, will execute such assignments, security agreements or financing statements, naming the Bondholder as assignee and pledgee of the Security for the Bonds assigned and pledged under this Bond Issuance Agreement for the payment of the principal of and interest on the Bonds and as otherwise provided herein, as the Bondholder shall reasonably request in writing, and the Borrower will cause the same to be duly filed and recorded, as the case may be, in the appropriate state and county offices as required by the provisions of the Uniform Commercial Code or other similar law as adopted in Illinois, as from time to time amended. To continue the security interest evidenced by the financing statements, the Bondholder shall file and record, or cause to be filed and recorded, such necessary continuation statements or supplements thereto and other instruments from time to time as may be required pursuant to the provisions of the said Uniform Commercial Code or other similar law to fully preserve and protect the security interest of the Bondholder in the Security for the Bonds and to perfect the lien hereof and the rights of the Bondholder hereunder. The Issuer, to the extent permitted by law, at the expense of the Borrower, shall execute and cause to be executed any and all further instruments as shall be reasonably requested in writing by the Bondholder for such protection and perfection of the interests of the Bondholder, and the Issuer or its agent shall, upon written direction from the Bondholder, file and refile or cause to be filed and refiled such instruments as shall be necessary to preserve and perfect the lien of this Bond Issuance Agreement upon the Security for the Bonds until the principal of and interest on the Bonds issued hereunder shall have been paid or provision for payment shall be made as herein provided.

Section 6.05. Inspection of Books. The Issuer, the Fiscal Agent and the Bondholder covenant and agree that all books and documents in their possession relating to the Project and the Revenues shall at all reasonable times be open to inspection by such accountants or other agencies as the other parties may from time to time designate.

Section 6.06. Rights Under Bond Loan Agreement. The Bond Loan Agreement, a duly executed copy of which has been delivered to the Bondholder, sets forth the covenants and obligations of the Issuer and the Borrower, including provisions to the effect that subsequent to the issuance of the Bonds and prior to its payment in full or provision for payment thereof in accordance with the provisions hereof, the Bond Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Issuer and the Bondholder, and reference is hereby made to the same for a detailed statement of said covenants and obligations of the Issuer and the Borrower thereunder. The Issuer agrees that the Bondholder, in its name or in the name of the Issuer, may enforce all rights of the Issuer and all obligations of the Borrower under and pursuant to the Bond Loan Agreement, and the Issuer will not enforce such rights and obligations itself except at the written direction of the Bondholder, in each case whether or not the Issuer is in Default hereunder; provided, however, that the foregoing shall not apply to Issuer Reserved Rights.

Section 6.07. Prohibited Activities. The Issuer covenants and agrees that it has not engaged, and will not engage, in any activities, and that it has not taken, and will not take, any

action, that might result in any interest on the Bonds becoming includible in the gross income of the owner of the Bonds under Federal income tax laws.

Section 6.08. Arbitrage. The Issuer shall not take any action within its power or fail to take any action of which it has knowledge with respect to the investment of the proceeds of the Bonds, including, without limitation, moneys on deposit in any Fund or Account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other sources, or with respect to the payments derived from the Borrower Notes which may result in constituting the Bonds an “arbitrage bond” within the meaning of such term as used in Section 148 of the Code and the Regulations. The Issuer further covenants to create a rebate fund upon direction by the Borrower to facilitate the payment of any rebatable arbitrage that may arise.

Section 6.09. Representations of the Issuer Contained in Bond Loan Agreement. Article V of the Bond Loan Agreement is hereby incorporated by reference into this Bond Issuance Agreement for the benefit of the Bondholder.

ARTICLE VII DEFAULT PROVISIONS AND REMEDIES OF BONDHOLDER

Section 7.01. Events of Default. Each of the following is hereby defined and declared to be and shall constitute an “Event of Default” hereunder:

(a) default in the due and punctual payment of any amount required to be paid under the Bonds or this Bond Issuance Agreement, whether by way of principal, interest or otherwise, including, without limitation, any mandatory redemption required by Section 3.02 of this Bond Issuance Agreement; provided that such default shall not constitute an Event of Default hereunder if such default is cured within five days after written notice thereof to the Issuer and the Borrower from the Bondholder; or

(b) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in this Bond Issuance Agreement or in the Bonds (and not constituting an Event of Default under any of the other provisions of this Section 7.01); provided that such default shall not constitute an Event of Default hereunder if such default is cured within 90 days after written notice thereof to the Issuer and the Borrower from the Bondholder as long as during such period the Issuer and/or the Borrower is using its best efforts to cure such default and such default can be cured in such period; or

(c) any Event of Default shall occur under the Bond Loan Agreement or any Borrower Collateral Document (following the expiration of applicable notice and cure periods); or

(d) any material representation or warranty made by the Issuer herein is breached or is false or misleading in any material respect, or any schedule, certificate, financial statement, report, notice or other writing furnished by the Issuer to the Bondholder is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified; or

(e) this Bond Issuance Agreement or the Bonds or any of the Borrower Collateral Documents, or any lien granted by the Borrower or the Issuer to the Bondholder, shall (except in

accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligations of the Issuer; or the Issuer shall directly or indirectly, contest in any manner such effectiveness, validity, binding nature or enforceability.

Notwithstanding anything to the contrary contained herein, the Fiscal Agent and the Issuer hereby agree that any cure of any default made or tendered by one or more of the Borrower's partners be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Section 7.02. Acceleration. Upon the occurrence of an Event of Default hereunder and as long as such Event of Default is continuing, the Bondholder may, by notice in writing delivered to the Issuer and the Borrower, declare the entire principal amount of the Bonds then outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable, subject, however, to the right of the Bondholder, by written notice to the Issuer and the Borrower, to annul such declaration and rescind its effect as hereinafter provided.

Section 7.03. Other Remedies; Rights of Bondholder. (a) Upon the occurrence of an Event of Default hereunder, the Bondholder may exercise and enforce such rights as exist under the Bond Loan Agreement, the Continuing Covenants Agreement and the Borrower Collateral Documents or pursue any available remedy by suit at law or in equity or by statute to enforce the payment of the principal of and interest on the Bonds, or to enforce any obligations of the Issuer hereunder.

(b) No remedy by the terms of this Bond Issuance Agreement conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and in addition to any other remedy given to the Bondholder hereunder or now or hereafter existing at law or in equity or by statute.

(c) No delay or omission to exercise any right or power accruing upon any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein; and such right and power may be exercised from time to time as often as may be deemed expedient. No waiver of any Event of Default hereunder shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

(d) All remedies for which provision is made in this Bond Issuance Agreement shall be available only to the extent such remedies are not prohibited by the laws of the State of Illinois, decisions of courts of the State of Illinois or any other applicable law, statute, ordinance, regulation or court decision.

Section 7.04. Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholder under this Bond Issuance Agreement, the Bondholder shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Security for the Bonds and of the revenues, earnings and income thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 7.05. Waiver of Rights. Except as specified in Section 7.09 hereof, upon the occurrence of an Event of Default hereunder, to the extent that such rights may then lawfully be waived, neither the Issuer, nor anyone claiming through or under the Issuer, shall set up, claim, or seek to take advantage of any appraisal, valuation, stay, extension, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Bond Issuance Agreement, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

Section 7.06. Application of Funds. All funds received by the Bondholder pursuant to any right given or action taken under the provisions of this Article, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Bondholder or the Issuer, shall be applied to pay the principal of and interest on the Bonds on the basis set forth in Section 4.01 hereof. Notwithstanding any other provision of this Bond Issuance Agreement to the contrary, funds received by the Bondholder may be applied (a) as long as an Event of Default has not occurred or, if occurred, is not continuing, with respect to payments and other amounts then due under the Borrower Notes, or, if all such payments and other amounts, if any, have been paid, may be applied as directed by the Borrower, and (b) if an Event of Default has occurred and is continuing, to satisfy amounts due the Bondholder as directed and in such order as determined by the Bondholder.

Section 7.07. Termination of Proceedings. In case the Bondholder shall have proceeded to enforce any right under this Bond Issuance Agreement by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Borrower, the Fiscal Agent and the Bondholder shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Bondholder shall continue as if no such proceedings had been taken.

Section 7.08. Termination of Bond Issuance Agreement. This Bond Issuance Agreement shall terminate when the Bonds have been finally, indefeasibly and fully paid, at which time the Bondholder shall, on a timely basis, reassign and redeliver (or cause to be reassigned and redelivered) to the Issuer, or to such Person or Persons as the Issuer shall designate in writing, against receipt, such of the Security for the Bonds (if any) assigned by the Issuer to the Bondholder as shall not have been sold or otherwise applied by the Bondholder pursuant to the terms hereof, and as shall still be held by it hereunder, together with appropriate instruments of reassignment and release, including, without limitation, any Uniform Commercial Code termination statements. Any such reassignment shall be without recourse upon, or representation or warranty by, the Bondholder and shall be at the cost and expense of the Borrower. Should a claim ("**Recovery Claim**") be made upon the Bondholder at any time for recovery of any amount received by the Bondholder in payment of the Bonds (whether received from the Issuer, the Borrower or otherwise), and should the Bondholder repay all or part of said amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over the Bondholder or any of its property, or (b) any settlement or compromise of any such Recovery Claim effected by the Bondholder with any such claimant (including, without limitation, the Borrower), this Bond Issuance Agreement and the security interests granted to the Bondholder pursuant hereto shall continue in effect with respect to the amount so repaid to the same extent as if such amount had never originally been received by the Bondholder, notwithstanding any prior

termination of this Bond Issuance Agreement, the return of this Bond Issuance Agreement to the Issuer or cancellation of the Bonds.

Section 7.09. Waivers of Events of Default. Except for an Event of Default with respect to any Issuer Reserved Rights, the Bondholder may, in its discretion, waive in writing any Event of Default hereunder or under the Borrower Notes not involving any Issuer Reserved Rights and its consequences and rescind in writing any declaration of acceleration of principal of and interest on the Bonds, and in case of any such waiver or rescission, or in case any proceeding taken by the Bondholder on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Borrower, the Fiscal Agent and the Bondholder shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.10. Cooperation of the Issuer. If an Event of Default hereunder shall occur, the Issuer shall cooperate with the Bondholder and protect the interests of the Bondholder with respect to this Bond Issuance Agreement, the Bonds, the Security for the Bonds and the Revenues.

ARTICLE VIII FISCAL AGENT

Section 8.01. Appointment and Removal of Fiscal Agent

(a) Zions Bancorporation, National Association, shall serve as the initial Fiscal Agent hereunder. The Fiscal Agent may resign at any time upon 30 days' prior written notice to the Borrower, the Issuer and the Bondholder.

(b) Upon the resignation of any Fiscal Agent, the Bondholder, with the prior written consent of the Issuer, shall designate a successor Fiscal Agent and shall so notify the Borrower in writing. If a successor Fiscal Agent has not been appointed and has not accepted such appointment by the end of the 30-day period, the Fiscal Agent may apply to a court of competent jurisdiction for the appointment of a successor Fiscal Agent, and the costs, expenses and reasonable attorneys' fees which are incurred in connection with such a proceeding shall be paid by the Borrower. Any successor Fiscal Agent shall be a bank or savings and loan association located in the City of Chicago, and shall at all times be a member of the Federal Deposit Insurance Corporation. No resignation shall become effective until a successor has been designated and accepted such designation in writing.

(c) The Fiscal Agent may be removed at any time, by instrument in writing delivered to the Fiscal Agent, the Issuer and the Borrower and signed by the Bondholder. No removal shall become effective until a successor has been designated and accepted such designation in writing.

Section 8.02. Successor Fiscal Agents. (a) Any corporation or association into which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Fiscal Agent hereunder and vested with all of the title to the Security for the Bonds and all the trusts, powers, discretions, immunities,

privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that such successor Fiscal Agent shall satisfy the requirements of Section 8.01(b) hereof relating to the qualifications of successor Fiscal Agents.

(b) In case the Fiscal Agent hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Bondholder, by an instrument in writing signed by it, or by its attorneys in fact, duly authorized. In case of any such vacancy, the Issuer, by an instrument executed by its Chief Financial Officer and attested by its Secretary under its seal, may appoint a temporary Fiscal Agent to fill such vacancy until a successor Fiscal Agent shall be appointed by the Bondholder in the manner above provided; and any such temporary Fiscal Agent so appointed by the Issuer shall immediately and without further act be superseded by the Fiscal Agent so appointed by the Bondholder.

Section 8.03. Indemnification and Reimbursement of Fees of Issuer. The Issuer shall be entitled to payment and reimbursement for fees for services rendered under this Bond Issuance Agreement and all advances, reasonable counsel fees and other expenses made or incurred by the Issuer in connection with such services. The Issuer shall look solely to the Borrower for the payment of such amounts as provided herein and in the Bond Loan Agreement, and the Issuer shall not be liable therefor. The Fiscal Agent, the Bondholder and the Issuer are indemnified as provided in the Bond Loan Agreement.

ARTICLE IX MISCELLANEOUS

Section 9.01. Unclaimed Moneys. Any moneys deposited with the Fiscal Agent by the Issuer, in accordance with the terms and covenants of this Bond Issuance Agreement, in order to redeem or pay the Bonds, and remaining unclaimed by the Bondholder at any time after two years after the date fixed for redemption or of maturity, as the case may be, shall be repaid by the Fiscal Agent to the Issuer, or to such party (the “**Designee**”) as is directed by the Issuer, upon its Written Request therefor; and thereafter the registered owner of the Bonds shall be entitled to look only to the Issuer or the Designee for payment thereof; provided, however, that the Fiscal Agent, before being required to make any such repayment, shall, at the expense of the Borrower, effect publication at least once in a newspaper of general circulation in the City of Chicago, Illinois, printed in the English language and customarily published on each Business Day, of a notice to the effect that said moneys have not been so applied and that after the date named in said notice any unclaimed balance of said moneys then remaining shall be returned to the Issuer or the Designee. If the amount remaining unclaimed has been paid by the Borrower under the Borrower Notes, the unclaimed amount will be paid to the Borrower, and the Borrower shall be the Designee (unless the Issuer has fully released the Borrower under the Borrower Notes).

Section 9.02. Consents of Bondholder. Any consent, request, direction, approval, objection or other instrument required by this Bond Issuance Agreement to be signed and executed by the Bondholder may be executed by the Bondholder in person or by its agent appointed in

writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Issuance Agreement, and shall be conclusive in favor of the Fiscal Agent and the Issuer with regard to any action taken by either of them under such request or other instrument, namely:

(a) the fact and date of the execution by any Person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution; and

(b) the ownership of the Bonds shall be proved by the registration books maintained by the Bond Registrar.

Section 9.03. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Issuance Agreement or the Bonds is intended or shall be construed to give to any Person other than the parties hereto and the Borrower any legal or equitable right, remedy or claim under or with respect to this Bond Issuance Agreement or any covenants, conditions and provisions herein contained, this Bond Issuance Agreement and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Borrower.

Section 9.04. Severability. If any provision of this Bond Issuance Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Bond Issuance Agreement shall not affect the remaining portions of this Bond Issuance Agreement, or any part thereof; provided, however, that no holding of invalidity shall require the Issuer to make any payments from any moneys other than Revenues.

Section 9.05. Notices. Any notice, request, complaint, demand, communication or other paper shall be in writing and shall be sufficiently given, and shall be deemed given, when delivered or mailed as provided in Section 14.3 of the Bond Loan Agreement.

A duplicate copy of each notice required to be given hereunder by the Bondholder or the Fiscal Agent to the Issuer or the Borrower shall also be given to the others. The Issuer, the Borrower, the Fiscal Agent and the Bondholder may designate any further or different addresses to which subsequent notices, requests, complaints, demands, communications and other papers shall be sent.

Section 9.06. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for prepayment of all or a portion of the Bonds shall be on Saturday, Sunday or other day which is not a Business Day,

then such payment need not be made on such date but may be made on the next succeeding Business Day and the Bonds shall continue to bear interest until such date.

Section 9.07. Duplicates. This Bond Issuance Agreement may be executed in several duplicates, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.08. Governing Law. This Bond Issuance Agreement, the Bonds and the rights and obligations of the parties hereunder and thereunder shall be construed in accordance with and be governed by the laws of the State of Illinois, without regard to its conflict of laws principles.

Section 9.09. Immunity of Issuer's Officers. No recourse shall be had for the payment of the principal of and interest on the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Bond Issuance Agreement, against any past, present or future officer, official, supervisor, director, agent or employee of the Issuer, or any officer, official, supervisor, director, agent or employee of any successor public body or entity, as such, either directly or through the Issuer or any successor corporation or entity, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, official, supervisor, director, agent or employee as such is hereby expressly waived and released as a condition of and consideration for the execution of this Bond Issuance Agreement and the issuance of the Bonds.

Section 9.10. Continuing Assignment and Security Interest Upon Transfer of Bonds. This Bond Issuance Agreement shall create a continuing assignment of, and security interest in, the Security for the Bonds, and shall (i) remain in full force and effect until payment in full of the Bonds, (ii) be binding upon the Issuer, its successors and assigns, and (iii) inure to the benefit of the Bondholder and its successors, permitted transferees and assigns. Without limiting the generality of the foregoing clause (iii), the Bondholder may assign or otherwise transfer, subject to Section 2.13 hereof, all of the Bonds held by it to any other Persons as provided in this Bond Issuance Agreement, and such other Persons shall thereupon become vested with all the benefits in respect thereof granted to the Bondholder herein or otherwise upon delivery to the Issuer in writing of an acknowledgment of such other Persons of such assignment or transfer, and agreeing to accept and perform any duties or obligations imposed upon it under this Bond Issuance Agreement.

Section 9.11. Amendments, Changes and Modifications. Subsequent to the initial issuance of the Bonds and prior to its payment in full (or provision for payment thereof having been made in accordance with the provisions of this Bond Issuance Agreement), this Bond Issuance Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Bondholder, the Issuer, the Borrower and the Fiscal Agent.

Section 9.12. Term of this Bond Issuance Agreement. This Bond Issuance Agreement shall be in full force and effect from the date hereof, and shall continue in effect until the indefeasible payment in full of the Bonds and all other obligations due hereunder. All matters affecting the tax-exempt status of the Bonds shall survive the termination of this Bond Issuance Agreement.

Section 9.13. Binding Effect. This Bond Issuance Agreement shall inure to the benefit of, and shall be binding upon, the Issuer and the Bondholder and their respective successors and assigns.

Section 9.14. Waivers. If any agreement contained in this Bond Issuance Agreement should be breached by the Issuer and thereafter waived by the Bondholder, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. All waivers by the Bondholder of breaches hereof by the Issuer shall be in writing.

Section 9.15. Participations. (a) The Bondholder shall have the right to grant participations in or to the Bonds hereunder and to the Borrower Notes all without notice to or consent from the Issuer, but subject to the restriction on transfer (including, but not limited to, the provision of a Qualified Transferee Letter to the Issuer) set forth herein and in the Bonds, and provided that there shall at all times be but one registered owner of all of the Bonds. No holder of a participation in all or any part of the Bonds and the Borrower Notes shall have any rights under this Bond Issuance Agreement.

(b) The Issuer hereby consents to the disclosure of any information about the Issuer provided by the Issuer obtained in connection herewith (i) by the Bondholder to any Person which is a participant or potential participant pursuant to clause (a) above, it being understood that the Bondholder and its assigns shall advise any such Person of its obligation to keep confidential any non-public information disclosed to it pursuant to this Section 9.15. The Bondholder shall advise the Issuer of each Person which becomes a participant pursuant to clause (a) above.

Section 9.16. Entire Agreement. This Bond Issuance Agreement, together with the Borrower Notes, the Bond Loan Agreement, the Continuing Covenants Agreement, the Borrower Collateral Documents and the Bonds, constitutes the entire agreement among the parties with respect to the subject matter hereof, and supersedes all written or oral understandings with respect thereto.

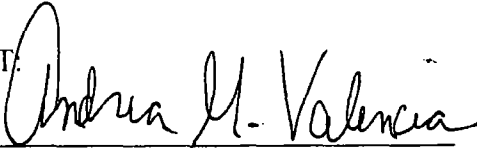
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IN WITNESS WHEREOF, the parties have executed this Bond Issuance Agreement as of the date first above written.

(SEAL)

CITY OF CHICAGO

ATTEST:



Name: Andrea M. Valencia

Title: City Clerk

By:



Name: Jennie Huang Bennett

Title: Chief Financial Officer

**LEGACY BANK AND TRUST
COMPANY, as Bondholder**

By:

Name: Eric Leonard

Title: Executive Vice President

**ZIONS BANCORPORATION,
NATIONAL ASSOCIATION, as Fiscal
Agent**

By:

Name: Bob Caferelli

Title: Vice President

Acknowledged and agreed to:

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, as Borrower,
An Illinois limited partnership

By: Churchview Supportive Living Preservation, LLC, an Illinois limited liability
company, its general partner

By: Greater Southwest Development Corporation, an Illinois not-for-profit, its sole member

By:

Name: Adrian Soto

Title: Its Executive Director

IN WITNESS WHEREOF, the parties have executed this Bond Issuance Agreement as of the date first above written.

(SEAL)

CITY OF CHICAGO


ATTEST:

Name: Andrea M. Valencia
Title: City Clerk

By: _____

Name: Jennie Huang Bennett
Title: Chief Financial Officer

**LEGACY BANK AND TRUST
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By: 

Name: Eric Leonard
Title: Executive Vice President

**ZIONS BANCORPORATION,
NATIONAL ASSOCIATION, as Fiscal
Agent**

By: _____

Name: Bob Caferelli
Title: Vice President

Acknowledged and agreed to:

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, as Borrower,
An Illinois limited partnership

By: Churchview Supportive Living Preservation, LLC, an Illinois limited liability
company, its general partner

By: Greater Southwest Development Corporation, an Illinois not-for-profit, its sole member

By: _____
Name: Adrian Soto
Title: Its Executive Director

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**LEGACY BANK AND TRUST
COMPANY, as Bondholder**

By:

Name: Eric Leonard
Title: Executive Vice President

**ZIONS BANCORPORATION,
NATIONAL ASSOCIATION, as Fiscal
Agent**

By:

Name: Rob Cafarelli
Title: Vice President, Zions Bank Division

Acknowledged and agreed to:

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, as Borrower,
An Illinois limited partnership

By: Churchview Supportive Living Preservation, LLC, an Illinois limited liability company, its general partner

By: Greater Southwest Development Corporation, an Illinois not-for-profit, its sole member

By: _____
Name: Adrian Soto
Title: Its Executive Director

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company, its general partner

By: Greater Southwest Development Corporation, an Illinois not-for-profit, its sole member

By: 
Name: Adrian Soto
Title: Its Executive Director

EXHIBIT A DEFINITIONS

“Accounting Rules” means with respect to Borrower, Guarantor and the Property, when applicable, GAAP, or such other consistently applied accounting methods satisfactory to Bondholder in its discretion.

“Additional Funding Sources” means the CDBG Loan, the Existing Reserves, the Capital Contribution, the Owner Equity, the Illinois Donations and the Seller Loan.

“Affiliate” means, with respect to any Person, any Person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such first Person. A Person shall be deemed to control another Person for the purposes of this definition if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the second Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise.

“Architect” means WJW Architects, P.C.

“Assignment of Contracts” means collectively, that certain Assignment of Architect’s Agreement and Plans and Specifications and Consent, that certain Assignment of Construction Documents, that certain Assignment and Subordination of Development Services Agreement, that certain Assignment of Management Agreement and Subordination of Management Agreement, and that certain Security Agreement (Assignment of Partnership Interest and Capital Obligations), each of even date herewith, from the Borrower to the Bondholder, as the same may be amended, modified or supplemented from time to time.

“Assignment of Leases” means the assignment of leases and rents set forth in the Mortgage.

“Bond Counsel” means nationally recognized municipal bond counsel selected by the Issuer and reasonably acceptable to the Bondholder.

“Bondholder” means Legacy Bank & Trust Company, a Missouri chartered bank, and its successors and assigns as the registered owner of the Bonds. There shall only be one Bondholder at a time hereunder, provided that the Bondholder may sell, subject to applicable law, participations in the Bonds.

“Bond Issuance Agreement” means this Bond Issuance Agreement, among the Issuer, the Bondholder and the Fiscal Agent, as the same may be amended, modified or supplemented from time to time.

“Bond Loan Agreement” means that certain Loan Agreement, of even date herewith, between the Issuer and the Borrower, as the same may be amended, modified or supplemented from time to time.

“Bond Registrar” means Zions Bancorporation, National Association, as registrar of the Bonds pursuant to Section 2.13 of this Bond Issuance Agreement, and any successors thereto which shall, from time to time, be appointed by the Issuer.

“*Bonds*” means the Series 2023A Bonds and the Series 2023B Bonds.

“*Borrower*” means Churchview Supportive Living Preservation, LP, an Illinois limited partnership, and its successors and assigns.

“*Borrower Collateral Documents*” means, collectively, (a) the Mortgage, (b) the Security Agreement, (c) the Assignment of Contracts, (d) the Assignment of Leases, (e) the Environmental Indemnity Agreement, (f) the Developer Fee Agreement, (g) the Completion Guaranty, (h) the Payment Guaranty, (i) the Subordination Agreement, (j) the Construction Escrow Agreement, and (k) such other collateral security documents as the Bondholder may require.

“*Borrower Documents*” means, collectively, the Bond Issuance Agreement, the Bond Loan Agreement, the Continuing Covenants Agreement, the Land Use Restriction Agreement, the Tax Certificate, the Borrower Notes, the Regulatory Agreements and the Borrower Collateral Documents.

“*Borrower Notes*” means the Series 2023A Borrower Note and the Series 2023B Borrower Note.

“*Building*” means the building in which the Project is located.

“*Business Day*” means other than (a) a Saturday or Sunday, or (b) a day on which banks located in the City of Chicago are authorized or required to remain closed.

“*Capital Contribution*” means the capital contributions made by the Limited Partner to the Borrower in accordance with the provisions of the Limited Partnership Agreement.

“*CDBG Loan*” means the loan to the Borrower from the City of Chicago of approximately \$8,000,000.

“*Closing Date*” means March 8, 2023.

“*Code*” means the Internal Revenue Code of 1986.

“*Complete*” or “*Completed*” has the meaning assigned to such term in Section 7.11 of the Bond Loan Agreement.

“*Completion Date*” means the date the Project is “Complete.”

“*Completion Guaranty*” means the Guaranty of Completion of even date herewith from the Borrower and the Guarantors to the Bondholder, as the same may be amended, modified or supplemented from time to time.

“*Construction Escrow*” means the escrow established pursuant to the Construction Escrow Agreement.

“Construction Escrow Agreement” means the Escrow Agreement by and among Borrower, the Issuer, the Bondholder, and the Title Company, as escrow agent, and acknowledged and consented to by the General Contractor.

“Construction Fund” has the meaning set forth in Section 4.02 of this Bond Issuance Agreement.

“Continuing Covenants Agreement” means that certain Continuing Covenants Agreement of even date herewith, by and between Borrower and Bondholder, as the same may be amended, modified or supplemented from time to time.

“Conversion Date” has the meaning ascribed to such term in the Continuing Covenants Agreement.

“Costs of the Project” means any reasonable or necessary costs incidental to the rehabilitation of the Project which are in compliance with the provisions of the Tax Certificate, and as set forth in the Development Cost Budget.

“Default” means any event, act or condition which, with lapse of time or the giving of notice, or both, would constitute an Event of Default.

“Default Rate” means the Past Due Rate.

“Designated Office” means the corporate office of the Fiscal Agent set forth in Section 9.05 of this Bond Issuance Agreement, or such other address as may be specified in writing by the Fiscal Agent as provided herein.

“Determination of Taxability” means with respect to the Bonds (a) the receipt by the Borrower of a written notice from the Bondholder or any former registered owner of the Bonds of the issuance of a statutory notice of deficiency by the Internal Revenue Service which holds, in effect, that the interest payable on the Bonds is includable in the federal gross income of the taxpayer named therein (other than a taxpayer who is a “substantial user” of the facilities financed with the proceeds of the Bonds or a “related person” thereto within the meaning of Section 147 of the Code); (b) the receipt by the Borrower and the Bondholder of an opinion of Bond Counsel to the effect that the interest payable on the Bonds is includable in the federal gross income of the taxpayer named therein; (c) the filing by the Borrower with the Bondholder or the Internal Revenue Service of any certificate, statement or other tax schedule, return or document which concludes or discloses that the interest payable on the Bonds, or any installment thereof, is includable in the Federal gross income of the Bondholder or any former owner of the Bonds (other than a taxpayer who is a “substantial user” of the facilities financed with the proceeds of the Bonds or a “related person” thereto within the meaning of Section 147 of the Code); or (d) any amendment, modification, addition or change shall be made in Section 103 or any other provision of the Code or in any Regulation, or any ruling shall be issued or revoked by the Internal Revenue Service, or any other action shall be taken by the Internal Revenue Service, the Department of Treasury or any other governmental agency, authority or instrumentality, or any opinion of any Federal court or of the United States Tax Court shall be rendered, and the Bondholder or any former owner of the Bonds shall have notified the Borrower and the Issuer in writing that, as a result of any such event or condition, Bond Counsel is unable to give an unqualified opinion that the interest payable

on the Bonds on or after a date specified in said notice is excludable from the Federal gross income of the taxpayer named therein.

“Developer” means Greater Southwest Development Corporation, an Illinois not for profit corporation, together with its successors and assigns.

“Development Cost Budget” means the initial breakdown of the Costs of the Project prepared by the Borrower and approved in writing by the Bondholder, of the total cost required to acquire, renovate and equip the Project. The analysis shall break down that total amount into the following cost categories: (a) “land acquisition cost,” (b) “building acquisition cost,” (c) “hard construction costs,” and (d) “soft costs.” The categories of “hard costs” and “soft costs” shall be further broken down by detailed line items, each for a specific type of cost associated with the Project.

“Dollars” means United States Dollars.

“Eligible Investment” means, to the extent permitted by the applicable laws and regulations of the Issuer and the State of Illinois, and with the approval of the Bondholder, any one or more of the following: (1) Government Obligations; (2) interest-bearing accounts; (3) interest in money market mutual funds registered under the Investment Company Act of 1940, as amended; provided, that the governing instrument or order directs, requires, authorizes or permits investment in obligations described in (1) above and to repurchase agreements fully collateralized by such obligations; and (4) such other investments approved in writing by the Borrower, the Issuer and the Bondholder.

“Environmental Indemnity Agreement” means the Environmental Indemnity Agreement of even date herewith from the Borrower and the Guarantor in favor of the Bondholder, as amended from time to time.

“Event of Default” means (a) with respect to the Bond Loan Agreement, those events of default specified in Section 12.1 of the Bond Loan Agreement, and (b) with respect to this Bond Issuance Agreement, those events of default specified in Section 7.01 of this Bond Issuance Agreement.

“Existing Reserves” mean approximately \$1,216,859 of reserves acquired with the Project.

“Federal Funds Rate” means, for any day, the rate determined by Bondholder to be the average (rounded upward, if necessary, to the next higher 1/100 of one percent (1%)) of the rates per annum quoted to Bondholder at approximately 10:00 a.m. (Chicago time) (or as soon thereafter as is practicable) on such day (of, if such day is not a Business Day, on the immediately preceding Business Day) by two or more federal funds brokers selected by Bondholder for sale to Bondholder at face value of federal funds in the secondary market in an amount equal or comparable to the principal amount for which such rate is being determined. If the Federal Funds Rate determined as provided above would be less than one percent (1.0%), the Federal Funds Rate shall be deemed to be one percent (1.0%).

“Fiscal Agent” means Zions Bancorporation, National Association, a national banking association, and its successors and any corporation or association resulting from or surviving any

consolidation or merger to which it or its successors may be a party, and any successor fiscal agent at the time serving as such under this Bond Issuance Agreement.

“*Funding Order*” has the meaning assigned to such term in Section 10.15 of the Bond Loan Agreement.

“*GAAP*” or “*generally accepted accounting principles*” means generally accepted accounting principles as defined by the Financial Accounting Standards Board.

“*General Contractor*” means Toro Construction, Corp., its respective successors and assigns,

“*General Partner*” means Churchview Supportive Living Preservation, LLC, an Illinois limited liability company.

“*Governmental Body*” means the United States of America, the State of Illinois and any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of them which exercises jurisdiction over the Project, the use of improvements thereto or the availability of ingress or egress thereto or of gas, water, electricity, sewerage or other utility facilities therefor.

“*Government Obligations*” means direct obligations of, and obligations fully guaranteed as to the timely payment of principal and interest by the full faith and credit of, the United States of America or any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States of America.

“*Government Regulation*” means any law, ordinance, order, rule or regulation of a Governmental Body.

“*Guarantor*” means Greater Southwest Development Corporation, an Illinois not for profit corporation, and its successors and assigns.

“*Illinois Donations*” means approximately \$900,000 in proceeds from the sale of the Illinois Affordable Housing Tax Credits (as defined in the Ordinance).

“*Indebtedness*” means, with respect to any Person, as of the date of determination thereof: (a) all of such Person’s indebtedness for borrowed money; (b) all indebtedness of such Person or any other Person secured by any Lien with respect to any Property owned or held by such Person, regardless whether the indebtedness secured thereby shall have been assumed by such Person; (c) all indebtedness of other Persons which such Person has directly or indirectly guaranteed (whether by discount or otherwise), endorsed (otherwise than for collection or deposit in the ordinary course of operations), discounted with recourse to such Person or with respect to which such Person is otherwise directly or indirectly, absolutely or contingently, liable, including indebtedness in effect guaranteed by such Person through any agreement (contingent or otherwise) to (i) purchase, repurchase or otherwise acquire such Indebtedness or any security therefor, (ii) provide funds for the payment or discharge of such indebtedness or any other liability of the obligor of such indebtedness (whether in the form of loans, advances, stock purchases, capital contribution or otherwise), (iii) maintain the solvency of any balance sheet or other financial condition of the

obligor of such indebtedness, or (iv) make payment for any products, materials or supplies or for any transportation or services regardless of the nondelivery or nonfurnishing thereof, if in any such case the purpose or intent of such agreement is to provide assurance that such indebtedness will be paid or discharged or that any agreements relating thereto will be complied with or that the holders of such indebtedness will be protected against loss in respect thereof; (d) all of such Person's capitalized lease obligations; (e) all actual or contingent reimbursement obligations with respect to letters of credit issued for such Person's account; and (f) all other items which, in accordance with GAAP, would be included as liabilities on the liability side of the balance sheet of such Person.

"Indemnified Persons" has the meaning given to such term in Section 13.1 of the Bond Loan Agreement.

"Initial Investor Letter" means a letter substantially in the form of **Exhibit E** hereto.

"Interest Rate" means, with respect to the Series 2023A Bonds, the interest rate described in Section 2.03(a) hereof and with respect to the Series 2023B Bonds, the interest rate described in Section 2.03(b) hereof.

"Insurance Requirements" means those requirements with respect to the maintenance of insurance with respect to the Project and the Borrower's obligations under the Bond Loan Agreement and under the other Borrower Documents.

"Interest Payment Date" means each date for the payment of interest on the Bonds as determined pursuant to Section 2.04(a) of this Bond Issuance Agreement.

"Interest Period" means (i) the period from the date of the first advance of proceeds of the Bonds until (but not including) the first Business Day of the following calendar month, and (ii) each period thereafter from (and including) the first (1st) Business Day of each calendar month until (but not including) the first Business Day of the following calendar month; except that the Interest Period, if any, that would otherwise commence before and end after the Maturity Date shall end on the Maturity Date.

"Interest Reserve" has the meaning assigned in Section 2.3(d) of the Bond Loan Agreement.

"Issuer" means the City of Chicago, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois, and any successor body to the duties or functions of said Issuer.

"Issuer Documents" means, collectively, the Bond Issuance Agreement, the Bond Loan Agreement, the Land Use Restriction Agreement and the Tax Certificate.

"Issuer Reserved Rights" means (1) rights under Sections 7.4, 7.5, 7.8(a), 12.4, 12.5, 12.6, 13.1, 14.6, 14.7 and 14.12 of the Bond Loan Agreement, which rights may be enforced directly by the Issuer and, where appropriate, also by the Bondholder, (2) the Issuer's right to consent to amendments of the Bond Loan Agreement and the Borrower Notes, and (3) the Issuer's right to

receive additional notices as provided in the Bond Loan Agreement, which rights may be enforced directly by the Issuer and, where appropriate, also by the Bondholder.

“*Land Use Restriction Agreement*” means the Land Use Restriction Agreement dated as of March 1, 2023, between the Issuer and the Borrower, as the same may be amended, modified or supplemented from time to time.

“*Laws*” or “*Legal Requirements*” means all federal, state, country, municipal and other governmental statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of governmental authorities affecting Borrower or the Premises or any part thereof or the construction, use, alteration or operation thereof, or any part thereof, whether now or hereafter enacted and in force, including, without limitation, the Americans with Disabilities Act of 1990 (as amended from time to time), and all permits, licenses and authorizations and regulations relating thereto, and all covenants, agreements, restrictions and encumbrances contained in any instruments, either of record or known to Borrower, at any time in force affecting the Premises or any part thereof, including, without limitation, any which may (i) require repairs, modifications or alterations in or to the Premises or any part thereof, or (ii) in any way limit the use and enjoyment thereof.

“*Liabilities*” means any and all of the Borrower’s obligations, liabilities and indebtedness to the Issuer or the Bondholder, now or hereafter existing or arising, or due or to become due, under or by reason of this Bond Loan Agreement, the Borrower Notes, the Bond Issuance Agreement, the Bonds, the Security for the Bonds, the Continuing Covenants Agreement, the Borrower Collateral Documents or any other document, instrument or agreement executed in connection therewith, by operation of law or otherwise, and any refinancings, substitutions, extensions, renewals, replacements and modifications for or of any or all of the foregoing, including all principal of and interest accrued on the Bonds and the Borrower Notes, all fees, charges, expenses, disbursements, costs and indemnities of the Borrower thereunder.

“*Lien*” means any mortgage, pledge, lien, hypothecation, security interest or other charge, encumbrance or preferential arrangement, including the retained security title of a conditional vendor or lessor.

“*Limited Partner*” means NDC Corporate Equity Fund XIX, L.P., a Delaware limited partnership, and its permitted successors and assign.

“*Limited Partnership Agreement*” means the Amended and Restated Limited Partnership Agreement of the Borrower dated as of March 1, 2023 among the General Partner and the Limited Partner, as supplemented and amended.

“*Loan*” shall mean the loan of the proceeds of the Bonds to the Borrower under the Bond Loan Agreement.

“*Low Income Housing Tax Credits*” means the tax credits described in Section 42 of the Code with respect to the Project.

“*Maturity Dates*” shall mean the respective dates specified in Section 2.02(h) and Section 2.02(i), respectively, hereof with respect to the Series 2023A Bonds and the Series 2023 B Bonds.

“*Maximum Rate*” means twelve percent (12%) per annum.

“*Mortgage*” means the Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing, dated as of March 1, 2023, from the Borrower to the Bondholder, securing the Loan.

“*Ordinance*” means the ordinance duly adopted by the City Council of the Issuer on November 16, 2022, authorizing, among other things, the execution and delivery of this Bond Issuance Agreement, the Bond Loan Agreement and the Land Use Restriction Agreement and the issuance of the Bonds.

“*Outstanding*” means that portion of the Bonds that has not been finally and fully paid hereunder.

“*Owner Equity*” means approximately \$198,646 in operating income.

“*Past Due Rate*” means the per annum rate of interest equal to the sum of the interest rate then in effect with respect to the Bonds on such day plus four percent (4.0%).

“*Payment Guaranty*” means the Guaranty Agreement of even date herewith from the Guarantor to the Bondholder, as the same may be amended, modified or supplemented from time to time.

“*Person*” means an individual, partnership, joint venture, corporation, trust, limited liability company, unincorporated organization or foundation, and a governmental agency or political subdivision thereof.

“*Plans and Specifications*” means the plans and specifications for the Project most recently prior to the Closing Date provided to the Issuer and the Bondholder.

“*Premises*” means the real estate located within the corporate boundaries of the City of Chicago, Illinois, which is described in **Exhibit C** hereto, and any additional real estate that from time to time may be acquired, including all buildings, structures and other improvements now and hereafter located thereon, which constitutes the site of the Project. The Premises are located at 2626 W. 63rd Street, in Chicago, Illinois 60629.

“*Project*” means the acquisition of land and building and rehabilitation of an existing very-low income housing development project for seniors thereon, consisting of one building containing approximately 86 rental units together with certain common areas, associated parking spaces and other building amenities in order to properly preserve and enhance the existing affordable housing, as well as to increase energy efficiency.

“*Property*” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including, without limitation, all cash and pledged receivables.

“*Qualified Transferee*” means a Person who is either (i) a “qualified institutional buyer” as defined in Rule 144A promulgated under the United States Securities Act of 1933, as amended, or (ii) any transferee of the Bonds to the extent the Bonds are transferred pursuant to another

exemption from registration under the 1933 Act, executing and delivering to the Issuer a Qualified Transferee Letter.

“Qualified Transferee Letter” means a letter substantially in the form of **Exhibit D** hereto.

“Rate Management Agreement” means any agreement, device or arrangement providing for payments which are related to fluctuations of interest rates, exchange rates, forward rates, or equity prices, including, but not limited to, dollar-denominated or cross-currency interest rate exchange agreements, forward currency exchange agreements, interest rate cap or collar protection agreements, forward rate currency or interest rate options, puts and warrants, and any agreement pertaining to equity derivative transactions (e.g., equity or equity index swaps, options, caps, floors, collars and forwards), including, without limitation, any such agreement between Borrower and Bondholder, any Affiliate of Bondholder or any other party, and any schedules, confirmations and documents and other confirming evidence between the parties confirming transactions thereunder, all whether now existing or hereafter arising and in each case, as amended, modified or supplemented from time to time.

“Regulations” mean any regulations promulgated or proposed by the Internal Revenue Service under Sections 103 and 141 through 150 of the Code, as amended.

“Regulatory Agreements” means collectively, the Land Use Restriction Agreement, the regulatory agreements governing the Low Income Housing Tax Credits and the regulatory and land use restriction agreements executed in connection with the CDBG Loan.

“Revenues” means (a) all payments of principal and interest made on the Borrower Notes (other than those relating to the obligation of the Borrower to rebate certain investment income to the United States Government pursuant to Section 148 of the Code), (b) all moneys held in any fund established under this Bond Issuance Agreement, including investment income earned thereon, and (c) all moneys received by the Bondholder pursuant to the provisions of the Bond Loan Agreement.

“Security for the Bonds” means the property described in the granting clauses of this Bond Issuance Agreement.

“Seller Loan” means the approximate amount of [\$3,070,000], or such amount as may be acceptable to the DOH Authorized Officer, to be advanced to the Borrower by Greater Southwest Development Corporation, an Illinois not for profit corporation.

“Series 2023A Bonds” means the aggregate principal amount \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A.”

“Series 2023B Bonds” means the aggregate principal amount \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B.”

“Series 2023A Borrower Note” means, the promissory note of the Borrower, of even date herewith, payable to the order of the Issuer in the maximum aggregate principal amount of \$7,000,000, substantially in the form of **Exhibit A-1** to the Bond Loan Agreement, as the same may be amended, modified or supplemented from time to time, endorsed by Issuer to Bondholder.

“*Series 2023B Borrower Note*” means, the promissory note of the Borrower, of even date herewith, payable to the order of the Issuer in the maximum aggregate principal amount of \$4,900,000, substantially in the form of **Exhibit A-2** to the Bond Loan Agreement, as the same may be amended, modified or supplemented from time to time, endorsed by Issuer to Bondholder.

“*Subordinate Lenders*” means the holders of the Subordinate Loans.

“*Subordinate Loans*” means the CDBG Loan, the Seller Loan and the Sponsor Loan.

“*Subordination Agreement*” collectively means any Subordination Agreements, dated as of March 1, 2023, among the Borrower, the Bondholder and the respective Subordinate Lenders.

“*Substantial Completion*” means the satisfaction of all of the following conditions: (a) construction of the improvements has been completed (except for punch list items and minor items which can be fully completed without material interference with the use and operation of the Project) in substantial accordance with the Plans and Specifications; (b) all material permits and approvals required for the normal use and occupancy of the Project have been issued by the City and are in full force and effect; and (c) all conditions and requirements contained in Section 42 of the Code and accompanying regulations to qualify for the Low Income Housing Tax Credits have been satisfied.

“*Tax Certificate*” means the Tax Compliance Agreement, dated as of the date of issuance of the Bonds, between the Issuer and the Borrower, as amended from time to time.

“*Title Company*” means Title Services Midwest, LLC.

“*Written Request*” means (a) with reference to the Issuer, a request in writing signed by its Chairman or any other officer or official designated by the Issuer, and (b) with reference to the Borrower or the Bondholder, a request in writing signed by the authorized representative of the Borrower or the Bondholder, as applicable.

**EXHIBIT B-1
FORM OF SERIES 2023A BOND**

THIS BOND IS TRANSFERABLE ONLY AS A WHOLE AS PROVIDED HEREIN

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
CITY OF CHICAGO**

**MULTI-FAMILY HOUSING REVENUE BOND
(CHURCHVIEW HOMES PROJECT), SERIES 2023A**

PAYABLE BY THE ISSUER SOLELY AND ONLY FROM REVENUES REFERRED TO HEREIN, INCLUDING, WITHOUT LIMITATION, REVENUES AND RECEIPTS DERIVED FROM AND PURSUANT TO THE BOND LOAN AGREEMENT, THE SERIES 2023A BORROWER NOTE AND THE SECURITY DOCUMENTS REFERRED TO HEREIN.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE. ACCORDINGLY, THIS BOND MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY IN TRANSACTIONS IN WHICH THIS BOND IS REGISTERED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, OR IN TRANSACTIONS IN WHICH THIS BOND IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THE ISSUER HAS NOT UNDERTAKEN ANY OBLIGATION TO CAUSE THIS BOND TO BE REGISTERED UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, OR TO COMPLY WITH ANY EXEMPTION THAT MAY BE AVAILABLE UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, INCLUDING, WITHOUT LIMITATION, RULE 144A UNDER THE SECURITIES ACT. THE REGISTERED OWNER OF THIS BOND AGREES THAT ANY TRANSFER OF THIS BOND WILL BE IN ACCORDANCE WITH THE PROVISIONS OF THE BOND ISSUANCE AGREEMENT.

No. R-1

Dated: March __, 2023

\$7,000,000

KNOW ALL MEN BY THESE PRESENTS, that the CITY OF CHICAGO, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "Issuer"), for value received, promises to pay (but only out of the source hereinafter described) to Legacy Bank and Trust Company, or registered assigns (the "Bondholder"), the unrepaid portion of the principal amount specified above that has been advanced by the Bondholder (as described herein, the "Advanced Principal") pursuant to the Bond Issuance Agreement (the "Bond Issuance Agreement"), dated as of March 1, 2023, among the Issuer, the Bondholder and Zions Bancorporation, National Association, as fiscal agent (the "Fiscal Agent") on March 1, 2023, except to the extent that the provisions hereinafter set forth with respect to redemption prior to maturity or extension of maturity may become applicable

hereto, and to pay (but only out of the sources hereinafter described) interest on the unpaid Advanced Principal balance hereof from the date or dates such principal was advanced as follows. Interest shall be computed on the unpaid Advanced Principal balance of this Bond at the interest rate or rates as provided in the Bond Issuance Agreement payable on the first day of each month, at redemption and on the Maturity Date, commencing on the first day of the month following the date hereof. Principal on this Bond will be paid on the Maturity Date (in an amount equal to the unpaid principal amount outstanding).

This Bond is the "Bond" described in, and is subject to the terms and provisions of, the Bond Issuance Agreement and payment of this Bond is secured as described in the Bond Issuance Agreement. Capitalized terms not defined herein have the same meaning as given in the Bond Issuance Agreement. Reference is hereby made to the Bond Issuance Agreement for a statement of the prepayment rights and obligations of the undersigned, a description of the security therefor, and for a statement of the terms and conditions under which the due date of this Bond may be accelerated. Upon the occurrence of any Event of Default as specified in the Bond Issuance Agreement, the principal balance hereof and the interest accrued hereon may be declared to be forthwith due and payable.

This Bond is secured by the Security for the Bonds as provided in the Bond Issuance Agreement.

Notwithstanding anything herein or in the Bond Issuance Agreement to the contrary, if the Issuer shall fail to make any of the payments required to be made by it under this Bond, such payments shall continue as a limited obligation of the Issuer until the amount in default shall have been fully paid and interest on this Bond shall continue to accrue at the rate specified in the Bond Issuance Agreement from the date such payment was due until the date such payment is made or the date this Bond has been repaid in full, whichever is earlier.

In any case where the date of payment of interest on or principal of this Bond or the date fixed for prepayment of all or a portion of this Bond shall not be a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day and this Bond shall continue to bear interest until such date.

All funds received by the Bondholder pursuant to any right given or action taken under this Bond, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Bondholder, shall be applied first to interest on the unpaid principal balance and the remainder to principal remaining due under this Bond. Notwithstanding any other provision of this Bond or the Bond Issuance Agreement to the contrary, funds received by the Bondholder may be applied (a) so long as an Event of Default has not occurred and is not continuing, with respect to the payment then due under this Bond if due, or, if all such payments have been made may be applied as directed by the Borrower (defined herein), and (b) if an Event of Default has occurred and is continuing, as directed and in such order as determined by the Bondholder.

This Bond is issued for the purpose of funding a loan by the Issuer to Churchview Supportive Living Partnership, LP, an Illinois limited partnership (the "Borrower") pursuant to the Loan Agreement dated as of March 1, 2023 (the "Bond Loan Agreement") between the Issuer and

the Borrower for the purpose of financing a portion of the costs of acquiring, rehabilitating and equipping the Project (as defined in the Bond Issuance Agreement). The terms and conditions of the acquisition and rehabilitation of the Project, the loan of the proceeds of this Bond to the Borrower for such purpose, the issuance of this Bond, and the terms upon which the Bonds are issued and secured are contained in the Bond Issuance Agreement and the Bond Loan Agreement.

This Bond shall only be transferable in whole to a Qualified Transferee delivering to the Issuer a Qualified Transferee Letter in the form of Exhibit D to the Bond Issuance Agreement.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution, delivery of and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this Bond, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

This Bond is issued pursuant to an Ordinance adopted by the City Council of the Issuer. The Bonds shall not be a debt of any city, village, incorporated town, county, the State of Illinois or any political subdivision thereof and neither the city, village, incorporated town or the county, nor the State of Illinois or any political subdivision thereof shall be liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Issuer as provided under the Bond Issuance Agreement. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds have been issued by the Issuer to aid in financing a housing project to provide dwelling accommodations for persons of low and moderate income.

As provided in the Bond Issuance Agreement, this Bond is subject to redemption, in whole or in part, and with or without premium, as specified and subject to the limitations set forth in the Bond Issuance Agreement.

This Bond and the rights and obligations of the parties hereunder shall be construed in accordance with and be governed by the laws of the State of Illinois, without regard to its conflict of laws principles.

The Bondholder shall note on the payment record attached as Schedule A hereto the date and amount of each payment of principal (whether at maturity or upon acceleration or prior redemption) and of interest paid, and of any principal and interest theretofore paid and not yet noted thereon. The information so recorded shall be rebuttable presumptive evidence of the accuracy thereof absent manifest error. The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Issuer hereunder to repay the principal amount hereunder together with all interest accruing hereon.

Payments of principal and interest on this Bond are to be made in lawful money of the United States of America in same day or immediately available funds.

Interest on each advance under this Bond shall accrue from and including the date made at an annual rate equal to 7.75% (the "Construction Interest Rate") as provided in the Bond Loan Agreement.

Prior to maturity, accrued and unpaid interest shall be due and payable in arrears on the first day of each month commencing on April 1, 2023. The entire principal balance of this Bond then unpaid, together with all accrued and unpaid interest and all other amounts payable hereunder and under the Bond Loan Agreement, shall be due and payable in full twenty-four (24) months after the date of this Bond, which is the maturity date of this Bond (the "Maturity Date").

The Borrower may request from Bondholder an extension of the Maturity Date of this Bond to six (6) months from Maturity Date, upon and subject to the terms and conditions in the Continuing Covenants Agreement, as defined in the Bond Issuance Agreement.

IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, all as of the date of delivery of this Bond.

(SEAL)

CITY OF CHICAGO

By:

Lori E. Lightfoot
Mayor

ATTEST:

Andrea M. Valencia
City Clerk

[Signature Page to Series 2023A Bond]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the "Bonds" described in the within mentioned Bond Issuance Agreement.

**ZIONS BANCORPORATION,
NATIONAL ASSOCIATION,** as Fiscal
Agent

By:

Name: Bob Cafarelli
Title: Vice President

Date of Authentication: March __, 2023

[Authentication Page of Series 2023A Bond]

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Holder of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to _____ (Assignee's Social Security or Taxpayer Identification Number) (Print or type Assignee's name and address, including ZIP code) and hereby irrevocably constitutes and appoints _____ attorney to transfer the registration of this Bond on the Register with full power of substitution in the premises.

Dated:

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company that is a participant in the Medallion Guarantee Program.	NOTICE: The signature above must correspond with the name of the Holder as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.
---	--

The following abbreviations, when used in the assignment above or on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM – as tenants in common

TEN ENT – as tenants by the entireties

JT TEN - as joint tenant with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT _____ Custodian _____ under Uniform Gifts to Minors Act _____

(Minor)

(Cust)

(State)

Additional abbreviations may also be used though not in the list above.

(End of Series 2023A Bond Form)

**EXHIBIT B-1
FORM OF SERIES 2023A BOND**

THIS BOND IS TRANSFERABLE ONLY AS A WHOLE AS PROVIDED HEREIN

**UNITED STATES OF AMERICA
STATE OF ILLINOIS
CITY OF CHICAGO**

**MULTI-FAMILY HOUSING REVENUE BOND
(CHURCHVIEW HOMES PROJECT), SERIES 2023A**

PAYABLE BY THE ISSUER SOLELY AND ONLY FROM REVENUES REFERRED TO HEREIN, INCLUDING, WITHOUT LIMITATION, REVENUES AND RECEIPTS DERIVED FROM AND PURSUANT TO THE BOND LOAN AGREEMENT, THE SERIES 2023A BORROWER NOTE AND THE SECURITY DOCUMENTS REFERRED TO HEREIN.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE. ACCORDINGLY, THIS BOND MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY IN TRANSACTIONS IN WHICH THIS BOND IS REGISTERED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, OR IN TRANSACTIONS IN WHICH THIS BOND IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THE ISSUER HAS NOT UNDERTAKEN ANY OBLIGATION TO CAUSE THIS BOND TO BE REGISTERED UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, OR TO COMPLY WITH ANY EXEMPTION THAT MAY BE AVAILABLE UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, INCLUDING, WITHOUT LIMITATION, RULE 144A UNDER THE SECURITIES ACT. THE REGISTERED OWNER OF THIS BOND AGREES THAT ANY TRANSFER OF THIS BOND WILL BE IN ACCORDANCE WITH THE PROVISIONS OF THE BOND ISSUANCE AGREEMENT.

No. R-1

Dated: March __, 2023

\$7,000,000

KNOW ALL MEN BY THESE PRESENTS, that the CITY OF CHICAGO, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "Issuer"), for value received, promises to pay (but only out of the source hereinafter described) to Legacy Bank and Trust Company, or registered assigns (the "Bondholder"), the unrepaid portion of the principal amount specified above that has been advanced by the Bondholder (as described herein, the "Advanced Principal") pursuant to the Bond Issuance Agreement (the "Bond Issuance Agreement"), dated as of March 1, 2023, among the Issuer, the Bondholder and Zions Bancorporation, National Association, as fiscal agent (the "Fiscal Agent") on March 1, 2023, except to the extent that the provisions hereinafter set forth with respect to redemption prior to maturity or extension of maturity may become applicable

Advanced Principal balance hereof from the date or dates such principal was advanced as follows. Interest shall be computed on the unpaid Advanced Principal balance of this Bond at the interest rate or rates as provided in the Bond Issuance Agreement payable on the first day of each month, at redemption and on the Maturity Date, commencing on the first day of the month following the date hereof. Principal on this Bond will be paid on the Maturity Date (in an amount equal to the unpaid principal amount outstanding).

This Bond is the "Bond" described in, and is subject to the terms and provisions of, the Bond Issuance Agreement and payment of this Bond is secured as described in the Bond Issuance Agreement. Capitalized terms not defined herein have the same meaning as given in the Bond Issuance Agreement. Reference is hereby made to the Bond Issuance Agreement for a statement of the prepayment rights and obligations of the undersigned, a description of the security therefor, and for a statement of the terms and conditions under which the due date of this Bond may be accelerated. Upon the occurrence of any Event of Default as specified in the Bond Issuance Agreement, the principal balance hereof and the interest accrued hereon may be declared to be forthwith due and payable.

This Bond is secured by the Security for the Bonds as provided in the Bond Issuance Agreement.

Notwithstanding anything herein or in the Bond Issuance Agreement to the contrary, if the Issuer shall fail to make any of the payments required to be made by it under this Bond, such payments shall continue as a limited obligation of the Issuer until the amount in default shall have been fully paid and interest on this Bond shall continue to accrue at the rate specified in the Bond Issuance Agreement from the date such payment was due until the date such payment is made or the date this Bond has been repaid in full, whichever is earlier.

In any case where the date of payment of interest on or principal of this Bond or the date fixed for prepayment of all or a portion of this Bond shall not be a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day and this Bond shall continue to bear interest until such date.

All funds received by the Bondholder pursuant to any right given or action taken under this Bond, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Bondholder, shall be applied first to interest on the unpaid principal balance and the remainder to principal remaining due under this Bond. Notwithstanding any other provision of this Bond or the Bond Issuance Agreement to the contrary, funds received by the Bondholder may be applied (a) so long as an Event of Default has not occurred and is not continuing, with respect to the payment then due under this Bond if due, or, if all such payments have been made may be applied as directed by the Borrower (defined herein), and (b) if an Event of Default has occurred and is continuing, as directed and in such order as determined by the Bondholder.

This Bond is issued for the purpose of funding a loan by the Issuer to Churchview Supportive Living Partnership, LP, an Illinois limited partnership (the "Borrower") pursuant to the Loan Agreement dated as of March 1, 2023 (the "Bond Loan Agreement") between the Issuer and the Borrower for the purpose of financing a portion of the costs of acquiring, rehabilitating and

equipping the Project (as defined in the Bond Issuance Agreement). The terms and conditions of the rehabilitation of the Project, the loan of the proceeds of this Bond to the Borrower for such purpose, the issuance of this Bond, and the terms upon which the Bonds are issued and secured are contained in the Bond Issuance Agreement and the Bond Loan Agreement.

This Bond shall only be transferable in whole to a Qualified Transferee delivering to the Issuer a Qualified Transferee Letter in the form of Exhibit D to the Bond Issuance Agreement.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution, delivery of and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this Bond, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

This Bond is issued pursuant to an Ordinance adopted by the City Council of the Issuer. The Bonds shall not be a debt of any city, village, incorporated town, county, the State of Illinois or any political subdivision thereof and neither the city, village, incorporated town or the county, nor the State of Illinois or any political subdivision thereof shall be liable thereon, nor in any event shall the Bonds be payable out of any funds or properties other than those of the Issuer as provided under the Bond Issuance Agreement. The Bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Bonds have been issued by the Issuer to aid in financing a housing project to provide dwelling accommodations for persons of low and moderate income.

As provided in the Bond Issuance Agreement, this Bond is subject to redemption, in whole or in part, and with or without premium, as specified and subject to the limitations set forth in the Bond Issuance Agreement.

This Bond and the rights and obligations of the parties hereunder shall be construed in accordance with and be governed by the laws of the State of Illinois, without regard to its conflict of laws principles.

The Bondholder shall note on the payment record attached as Schedule A hereto the date and amount of each payment of principal (whether at maturity or upon acceleration or prior redemption) and of interest paid, and of any principal and interest theretofore paid and not yet noted thereon. The information so recorded shall be rebuttable presumptive evidence of the accuracy thereof absent manifest error. The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Issuer hereunder to repay the principal amount hereunder together with all interest accruing hereon.

Payments of principal and interest are to be made in lawful money of the United States of America in same day or immediately available funds.

Prior to the Conversion Date, interest on each advance under this Bond shall accrue from and including the date made at an annual rate equal to 7.75% (the "Construction Interest Rate") as provided in the Loan Agreement.

After the Conversion Date, interest on the outstanding balance under this Bond shall accrue from and including the date made at an annual rate equal to 5.9% (the "Permanent Interest Rate") as provided in the Loan Agreement.

Prior to the Conversion Date, accrued and unpaid interest at the Construction Interest Rate, as herein defined, shall be due and payable in arrears on the first day of each month commencing on April 1, 2023. If the Conversion to the Permanent Loan has not occurred, any remaining principal and interest shall be due and payable on the Construction Loan Maturity Date, as herein after defined, as such may be extended pursuant to the Loan Agreement, or on any earlier date on which the unpaid principal balance of this Bond becomes due and payable, by acceleration or otherwise. The Construction Loan Maturity Date shall mean the date that is twenty-four (24) months from the date of this Bond (the "Construction Loan Maturity Date"). The unpaid principal balance shall continue to bear interest after the Construction Loan Maturity Date at the Past Due Rate set forth in this Bond until and including the date on which it is paid in full.

Borrower may request an extension of the Maturity Date of this Bond to six (6) months from Maturity Date, upon and subject to the terms and conditions in the Continuing Covenants Agreement.

Upon Conversion to the Permanent Loan on the Conversion Date, payment of principal and interest for each Interest Accrual Period shall be due and payable commencing on the 1st day of the calendar month after the calendar month in which the Conversion Date occurs and continuing on the 1st day of each calendar month thereafter (each a "Scheduled Payment Date") in an amount equal to \$26,918.47 (the "Monthly Permanent Loan Payment Amount") until the entire unpaid principal balance evidenced by this Bond is paid in full. The Monthly Permanent Loan Payment Amount is based upon a forty (40) year amortization. Any remaining principal and interest shall be due and payable 204 months after the date of this Bond or on any earlier date on which the unpaid principal balance of this Bond becomes due and payable, by acceleration or otherwise (the "Maturity Date"). The unpaid principal balance shall continue to bear interest after the Maturity Date at the Past Due Rate (as defined in the Bond Issuance Agreement) set forth in this Bond until and including the date on which it is paid in full.

IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, all as of the date of delivery of this Bond.

(SEAL)

CITY OF CHICAGO

By:

Lori E. Lightfoot
Mayor

ATTEST:

Andrea M. Valencia
City Clerk

[Signature Page to Series 2023B Bond]

CERTIFICATE OF AUTHENTICATION

This Bond is one of the "Bonds" described in the within mentioned Bond Issuance Agreement.

**ZIONS BANCORPORATION,
NATIONAL ASSOCIATION,** as Fiscal
Agent

By:

Name: Bob Cafarelli
Title: Vice President

Date of Authentication: March __, 2023

[Authentication Page of Series 2023B Bond]

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Holder of this Bond, or duly authorized representative or attorney thereof, hereby assigns this Bond to _____ (Assignee's Social Security or Taxpayer Identification Number) (Print or type Assignee's name and address, including ZIP code) and hereby irrevocably constitutes and appoints _____ attorney to transfer the registration of this Bond on the Register with full power of substitution in the premises.

Dated:

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company that is a participant in the Medallion Guarantee Program.	NOTICE: The signature above must correspond with the name of the Holder as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.
---	--

The following abbreviations, when used in the assignment above or on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM – as tenants in common

TEN ENT – as tenants by the entireties

JT TEN - as joint tenant with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT _____ Custodian _____ under Uniform Gifts to Minors Act _____

(Minor)

(Cust)

(State)

Additional abbreviations may also be used though not in the list above.

(End of Series 2023B Bond Form)

EXHIBIT C

LEGAL DESCRIPTION AND ADDRESS

*****PARCEL 1:**

LOTS 16 TO 25 IN BLOCK 16 IN COBE AND MCKINNON'S 63RD STREET AND CALIFORNIA AVENUE SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND THE EAST HALF OF VACATED SOUTH TALMAN AVENUE ADJACENT TO AFORESAID LOTS, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2:

A PERPETUAL, NON-EXCLUSIVE EASEMENT FOR PRIVATE INGRESS AND EGRESS BENEFITTING PARCEL 1 PURSUANT TO THAT CERTAIN EASEMENT AGREEMENT DATED MARCH 1, 2003 AND RECORDED MARCH 27, 2003 IN THE COOK COUNTY RECORDER'S OFFICE AS DOCUMENT NUMBER 0030415529 UPON, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

LOTS 16 THROUGH 23, BOTH INCLUSIVE, IN BLOCK 15, TOGETHER WITH THE WEST HALF OF VACATED SOUTH TALMAN AVENUE LYING EAST OF THE EAST LINE OF SAID LOT 16 IN BLOCK 15, ALL IN COBE & MCKINNON'S 63RD STREET AND CALIFORNIA AVENUE SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.***

PERMANENT REAL ESTATE INDEX NUMBERS:

19-13-427-030-0000; 19-13-427-031-0000; 19-13-427-032-0000; 19-13-427-033-0000;
19-13-427-034-0000; 19-13-427-035-0000; 19-13-427-036-0000; 19-13-427-037-0000;
19-13-427-040-0000

COMMONLY KNOWN AS: 2626 W. 63RD STREET, CHICAGO, ILLINOIS 60629

EXHIBIT D

FORM OF QUALIFIED TRANSFEREE LETTER

[Letterhead of Investor]

_____, 202_

City of Chicago
Department of Finance
121 N. LaSalle Street, 7th Floor
Chicago, Illinois 60602
Attention: Chief Financial Officer

Re: City of Chicago Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023, consisting of \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A and \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B

Ladies and Gentlemen:

The undersigned (the “Investor”) hereby represents and warrants to you as follows:

1. The Investor proposes to purchase all or a portion of the above-referenced Bonds (the “Bonds”) issued pursuant to that certain Bond Issuance Agreement, dated as of March 1, 2023 (the “Bond Issuance Agreement”), among the City of Chicago (the “Issuer”), Legacy Bank & Trust Company, a Missouri chartered bank, as Bondholder, and Zions Bancorporation, National Association, as Fiscal Agent. The Investor understands that the Bonds have not been registered under the Securities Act of 1933, as amended (the “1933 Act”), or the securities laws of any state, and will be sold to the Investor as a whole in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth herein.

2. The Investor has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, and is capable of evaluating the merits and risks involved in an investment in the Bonds. The Investor is able to bear the economic risk of, and an entire loss of, an investment in the Bonds. In the normal course of the Investor’s business, the Investor invests in and purchases bonds similar in investment character to the Bonds.

3. The Investor is a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act of 1933 Act (“Rule 144A”).

4. The Investor is purchasing the Bonds solely for its own account for investment purposes and has no intention to resell or distribute the Bonds; provided that the Investor reserves the right to transfer or dispose of the Bonds, as a whole, at any time,

and from time to time, in its complete and sole discretion, subject, however, to the restrictions described in paragraphs 6, 7 and 8 of this letter.

5. The Investor acknowledges that it has had access to such financial and other information, and has been afforded the opportunity to ask such questions of representatives of the Issuer and the Borrower (as defined in the Bond Issuance Agreement), and receive answers thereto, as the Investor deems necessary in order to evaluate the merits and risks involved in an investment in the Bonds.

6. The Investor understands that the Bonds may be offered, resold, pledged or transferred only (a)(i) to a person who is a "qualified institutional buyer," as defined in Rule 144A (promulgated under the 1933 Act), in compliance with Rule 144A, or (ii) pursuant to another exemption from registration under the 1933 Act; and (b) as a whole in compliance with the Bonds, the Bond Issuance Agreement and applicable state securities laws.

7. The Investor agrees that it will only offer, sell, pledge, transfer or exchange the Bonds (or any legal or beneficial interest therein) (i) in accordance with an available exemption from the registration requirements of the 1933 Act, (ii) in accordance with any applicable state securities laws, and (iii) in accordance with the provisions of the Bonds and the Bond Issuance Agreement.

8. If the Investor sells the Bonds (or any legal or beneficial interest therein), the Investor or its agent will obtain for your benefit, and deliver to you, from any subsequent purchaser a Qualified Transferee Letter in the form of Exhibit D to the Bond Issuance Agreement or such other materials (including, but not limited to, an opinion of counsel) as are required by you to evidence compliance of such sale and purchase with the requirements of the 1933 Act effecting an exemption from registration. The Investor hereby agrees to indemnify the Issuer against any costs to the Issuer resulting from any failure by the Investor to transfer the Bonds in accordance with the restrictions relating thereto set forth in the Bond Issuance Agreement and the Bonds.

Very truly yours,

[Name of Investor]

Dated: _____

By: _____

Name: _____

Title: _____

EXHIBIT E

FORM OF INITIAL INVESTOR LETTER

March __, 2023

City of Chicago
Department of Finance
121 N. LaSalle Street, 7th Floor
Chicago, Illinois 60602
Attention: Chief Financial Officer

Re: City of Chicago Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023, consisting of \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A and \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B

Ladies and Gentlemen:

The undersigned (the “Investor”) hereby represents and warrants to you as follows:

1. The Investor proposes to purchase the above-referenced Bonds (the “Bonds”), which were issued pursuant to that certain Bond Issuance Agreement, dated as of March 1, 2023 (the “Bond Issuance Agreement”), among the City of Chicago (the “Issuer”), Legacy Bank & Trust Company, a Missouri chartered bank, as Bondholder, and Zions Bancorporation, National Association, as Fiscal Agent. The Investor understands that the Bonds have not been registered under the Securities Act of 1933, as amended (the “1933 Act”), or the securities laws of any state, and will be sold to the Investor as a whole in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth herein.

2. The Investor has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, and is capable of evaluating the merits and risks involved in an investment in the Bonds. The Investor is able to bear the economic risk of, and an entire loss of, an investment in the Bonds. In the normal course of the Investor’s business, the Investor invests in and purchases bonds similar in investment character to the Bonds.

3. The Investor is a “qualified institutional buyer” as defined in Rule 144A promulgated under the Securities Act of 1933 Act (“Rule 144A”).

4. The Investor is purchasing the Bonds solely for its own account for investment purposes and has no intention to resell or distribute the Bonds; provided that the Investor reserves the right to transfer or dispose of the Bonds, as a whole, at any time, and from time to time, in its complete and sole discretion, subject, however, to the restrictions described in paragraphs 6, 7 and 8 of this letter.

5. The Investor acknowledges that it has had access to such financial and other information, and has been afforded the opportunity to ask such questions of representatives of the Issuer and the Borrower (as defined in the Bond Issuance Agreement), and receive answers thereto,

as the Investor deems necessary in order to evaluate the merits and risks involved in an investment in the Bonds.

6. The Investor understands that the Bonds may be offered, resold, pledged or transferred only (a)(i) to a person who is a "qualified institutional buyer," as defined in Rule 144A (promulgated under the 1933 Act), in compliance with Rule 144A, or (ii) pursuant to another exemption from registration under the 1933 Act; and (b) as a whole in compliance with the Bonds, the Bond Issuance Agreement and applicable state securities laws.

7. The Investor agrees that it will only offer, sell, pledge, transfer or exchange the Bonds (or any legal or beneficial interest therein) (i) in accordance with an available exemption from the registration requirements of the 1933 Act, (ii) in accordance with any applicable state securities laws, and (iii) in accordance with the provisions of the Bonds and the Bond Issuance Agreement.

8. If the Investor sells the Bonds (or any legal or beneficial interest therein), the Investor or its agent will obtain for your benefit, and deliver to you, from any subsequent purchaser a Qualified Transferee Letter in the form of Exhibit D to the Bond Issuance Agreement or such other materials (including, but not limited to, an opinion of counsel) as are required by you to evidence compliance of such sale and purchase with the requirements of the 1933 Act effecting an exemption from registration. The Investor hereby agrees to indemnify the Issuer against any costs to the Issuer resulting from any failure by the Investor to transfer the Bonds in accordance with the restrictions relating thereto set forth in the Bond Issuance Agreement and the Bonds.

Very truly yours,

[Name of Investor]

Dated: _____

By: _____

Name: _____

Title: _____

EXHIBIT B
LOAN AGREEMENT

[see attached]

BOND LOAN AGREEMENT

among

CITY OF CHICAGO,

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP,
an Illinois limited partnership

and

LEGACY BANK & TRUST COMPANY,
a Missouri chartered bank

Dated as of March 1, 2023

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BOND LOAN AGREEMENT

This BOND LOAN AGREEMENT, dated as of March 1, 2023 (this “**Loan Agreement**”), among the CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “**Issuer**”), Churchview Supportive Living Preservation, LP, an Illinois limited partnership (the “**Borrower**”), and Legacy Bank & Trust Company, a Missouri chartered bank (the “**Bondholder**”),

WITNESSETH:

WHEREAS, as a home rule unit of local government and pursuant to the Constitution of the State of Illinois, the Issuer is authorized to issue its revenue notes and bonds in order to aid in providing an adequate supply of residential housing for low- and moderate-income persons or families within the City of Chicago, which constitutes a valid public purpose for the issuance of revenue notes and bonds by the Issuer; and

WHEREAS, the Issuer has determined to issue, sell and deliver the \$11,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023, consisting of the \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the “**Series 2023A Bonds**” and the \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the “**Series 2023B Bonds**” and collectively with the Series 2023A Bonds, the “**Bonds**”), as provided herein, and to lend the proceeds thereof to the Borrower for the purpose of financing a portion of the cost of acquisition, rehabilitation and equipping of the Project (as hereinafter defined); and

WHEREAS, the Issuer and the Borrower have entered into this Loan Agreement providing for the loan of the proceeds of the Bonds to the Borrower for the purposes described in the preceding paragraph; and

WHEREAS, this Loan Agreement provides for the issuance by the Borrower of the Borrower Notes (as hereinafter defined); and

WHEREAS, the Issuer will pledge and assign the Borrower Notes and this Loan Agreement to the Bondholder under the Bond Issuance Agreement; and

WHEREAS, additional security for the repayment of the Borrower Notes is provided by the Borrower pursuant to the certain Borrower Collateral Documents (all as defined in the Bond Issuance Agreement);

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration (the receipt, sufficiency and adequacy of which are hereby acknowledged), the parties hereto agree as follows, provided that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not constitute an indebtedness or give rise to a pecuniary liability of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against the Issuer’s general credit or the taxing powers of the State of Illinois or any political

subdivision thereof, but shall be payable solely and only from the Revenues (as defined in the Bond Issuance Agreement):

ARTICLE I DEFINITIONS, INTERPRETATION AND EXHIBITS

Section 1.1. Definitions. Capitalized terms used in this Loan Agreement without definition shall have the respective meanings given to such terms in **Exhibit A** attached to the Bond Issuance Agreement unless the context or use clearly indicates another or different meaning or intent.

Section 1.2. Interpretation. In this Loan Agreement, except as otherwise expressly provided or unless the context clearly otherwise requires:

(a) the words “hereby,” “hereof,” “herein,” “hereunder” and any similar words used in this Loan Agreement refer to this Loan Agreement as a whole and not to any particular Article, Section or other subdivision, and the word “heretofore” shall mean before, and the word “hereafter” shall mean after, the date of this Loan Agreement, and the word “including” shall mean including, without limitation;

(b) all accounting terms not otherwise defined herein shall have the meanings assigned to them in accordance with generally accepted accounting principles (“GAAP”);

(c) any headings preceding the text of the several Articles and Sections of this Loan Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Loan Agreement nor affect its meaning, construction or effect; and

(d) any certificates, letters or opinions required to be given pursuant to this Loan Agreement shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Loan Agreement.

ARTICLE II LOAN TO BORROWER; REPAYMENT PROVISIONS

Section 2.1. Loan to Borrower, Purchase of Bond. The Issuer covenants and agrees to finance a portion of the Costs of the Project through the issuance of the Bonds pursuant to the Bond Issuance Agreement and the loan of the proceeds of the Bonds to the Borrower, such Loan to be advanced from time to time by making deposits into the Construction Fund or Construction Escrow and, subject to the Continuing Covenants Agreement and satisfaction of the conditions set forth in Articles X and XI hereof, disbursed and applied as provided in Article IX hereof. The Bondholder agrees to provide proceeds to the Issuer to effect such loan through its purchase of the Bonds in whole pursuant to the Bond Issuance Agreement.

Section 2.2. Repayment of Loan and Payment of Other Amounts

(a) *Borrower Notes.* In order to evidence its obligation to repay the Loan made hereunder by the Issuer, the Borrower shall authorize, execute and deliver the Borrower Notes, which Borrower Notes shall be in substantially the forms attached hereto as **Exhibits A-1 and A-2**. The terms and conditions of the Borrower Notes are hereby incorporated into this Section with the same effect as if fully set forth herein. The Borrower agrees to pay all of its obligations in full under this Loan Agreement and the Borrower Notes, subject to Section 14.1 hereof.

(b) *Mandatory Payments under the Bonds.* It is the intent of the Borrower and the Issuer that, notwithstanding any schedule of payments contained in the Borrower Notes, the payments to be made by the Borrower on the Borrower Notes shall at all times be sufficient to pay when due the principal of and interest on the Bonds; provided, however, that if for any reason the funds paid to or on behalf of the Issuer (to make said payments) are at any time insufficient or unavailable to make any payment of the principal of or interest on the Bonds when due (whether at maturity or upon redemption or acceleration), the Borrower shall forthwith pay directly to the Bondholder, in immediately available funds, the amount required to make up such deficiency, or shall take such other action as may be necessary to make sufficient funds available to make such payment. All such payments made to the Bondholder with respect to the Bonds shall be made by the Borrower on behalf of the Issuer, shall be deemed a credit against the Liabilities, and shall be applied against the Issuer's payment obligations under Bonds.

(c) *Payments to Fiscal Agent.* The Borrower shall pay to the Fiscal Agent until the principal of and interest on the Borrower Notes shall have been fully paid, the reasonable fees, charges and expenses (if any) of the Fiscal Agent, as fiscal agent and Bond Registrar, as and when the same become due. The Borrower further agrees to indemnify the Fiscal Agent for, and to defend and hold the Fiscal Agent harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with its powers or duties hereunder and under the Bond Issuance Agreement, including, but not limited to, the reasonable cost and expenses of defending itself against any claim or liability in connection with the exercise of any of such powers or performance of any such duties.

(d) *Payments to Issuer.* The Borrower shall pay to the Issuer (i) an Issuer fee equal to [1.5%] of the authorized stated principal amount of the Bonds plus a fee of [0.0010] of the authorized stated principal amount of the Bonds, payable on the Closing Date, (ii) an ongoing compliance fee of [\$25] per unit, payable annually, (iii) a Tax Credit Reservation Fee equal to [5%] of first year's Low Income Housing Tax Credit allocation, payable on the Closing Date, and (iv) any other applicable fee as provided under Section 2-44-065 of the Municipal Code of Chicago.

Section 2.3. Payment. (a) *Payments under the Bonds and the Borrower Notes.* As repayment of the Loan, the Borrower agrees to promptly and punctually pay all amounts sufficient to pay the principal of, premium, if any, or interest on the Bonds on each day on which any payment of principal of, premium, if any or interest on the Bonds shall become due (whether on an interest payment date, at maturity, or upon redemption or acceleration or otherwise) and as is payable with respect to the Borrower Notes, without any presentment of the Borrower Notes, notice of nonpayment (except as otherwise expressly set forth therein), notice of dishonor or notice of

protest, and without any notation of such payment being made thereon, directly to the Bondholder (as the assignee of the Issuer) in immediately available funds by wire transfer originated by the Borrower not later than 12:00 noon, Chicago, Illinois time, on each payment date, such payment to be marked for attention as indicated, or by charging the Interest Reserve (as defined below) or an account of the Borrower established with the Bondholder, which charge is hereby authorized by the Borrower. The Borrower Notes are subject to assignment as set forth in Section 4.2 hereof. Payments with respect to the Bonds and the Borrower Notes shall be made by wire transfer pursuant to the wire transfer instructions attached hereto as **Exhibit D**, or such other replacement wire transfer instructions as shall be provided in writing by Bondholder to Borrower or by charging the Interest Reserve or an account of the Borrower established with the Bondholder. All payments made to the Bondholder with respect to the Bonds shall be made by the Borrower on behalf of the Issuer, shall be deemed a credit against the Liabilities, and shall be applied against the Issuer's payment obligations under Bonds.

(b) *Payments Due on Saturdays, Sundays and Holidays.* In any case where the date of payment of principal of or interest on the Borrower Notes or the Bonds, or the date fixed for prepayment of all or a portion of the Borrower Notes or the Bonds, as applicable, shall be other than a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day, and the Borrower Notes and the Bonds shall continue to bear interest until such date of actual payment.

(c) *Payment Notations.* The Bondholder shall make a notation on the Borrower Notes on the payment record thereon, or in the Bondholder's books and records, of each principal and interest payment made pursuant to this Section 2.2 and the date to which interest has been paid. The information so recorded shall be rebuttable presumptive evidence of the accuracy thereof. The failure to so record any such information, or any error in so recording any such information, shall not, however, limit or otherwise affect the obligations of the Borrower hereunder or under the Borrower Notes to repay the principal balance thereof together with all interest accruing thereon.

(d) *Manner of Payment.* The principal of and interest on the Borrower Notes shall be payable in lawful money of the United States of America; such principal and interest shall be payable at the principal office of the Bondholder. All payments of debt service on the Borrower Notes and the Bonds shall be made directly by the Borrower to the Bondholder, or shall be made by the Bondholder's deducting payment from the Interest Reserve or crediting of an account of the Borrower maintained at the Bondholder. Payments due to the Issuer after the Closing Date shall be made as directed by the Issuer. Bondholder may allocate proceeds of the Loan to the payment of interest on the Loan (collectively, the "**Interest Reserve**") and Loan proceeds may be disbursed directly to Bondholder from the portion of the Loan allocated to the Interest Reserve. The initial amount of the Interest Reserve shall be \$510,000. Borrower hereby authorizes Bondholder from time to time, for the mutual convenience of Bondholder and Borrower, to disburse proceeds of the Loan from the Interest Reserve to pay all the then accrued interest on the Loan, regardless of whether Borrower shall have specifically requested a disbursement of such amount. Disbursements of the proceeds of the Loan allocated to the Interest Reserve shall constitute a disbursement of the Loan hereunder; provided, however, that after the full disbursement of the Interest Reserve, interest on the Loan shall be paid directly by Borrower from sources other than proceeds of the Loan. The funds held in the Interest Reserve shall be pledged as additional security

for the Loan. The Borrower agrees to execute any and all documents, including security interests and financing statements, as Bondholder may reasonably request in order to create or perfect such security interest.

(e) *Return of Collateral.* Upon payment in full of the Borrower Notes and termination of this Loan Agreement, the Issuer shall or shall cause the Fiscal Agent to, on a timely basis, reassign and redeliver (or cause to be reassigned and redelivered) to the Borrower, or to such Person or Persons as the Borrower shall designate, against receipt, such of the collateral (if any) assigned by the Borrower to the Issuer as shall not have been sold or otherwise applied by the Issuer pursuant to the terms hereof and as shall still be held by it or the Fiscal Agent hereunder, together with appropriate instruments of reassignment and release, including, without limitation, UCC termination statements; it shall be the obligation of the Borrower to provide all such instruments of reassignment and release. Any such reassignment shall be without recourse upon, or representation or warranty by, the Issuer, and shall be at the cost and expense of the Borrower. If a claim is made upon the Issuer (or any assignee of the Issuer, including, but not limited to, the Bondholder) at any time for recovery of any amount received by the Issuer (or such assignee) in payment of the Borrower Notes, whether received from the Borrower or otherwise (a "**Recovery Claim**"), and should the Issuer (or such assignee) repay all or part of said amount by reason of: (i) any judgment, decree or order of any court or administrative body having jurisdiction over the Issuer or any assignee of the Issuer, or the Property of either thereof; or (ii) any settlement or compromise of any such Recovery Claim effected by the affected party with the claimant (including the Borrower), this Loan Agreement, the Borrower Collateral Documents and the Security for the Bonds shall continue in effect with respect to the amount so repaid to the same extent as if such amount had never originally been received by the Issuer or such assignee, notwithstanding any prior termination of this Loan Agreement, the return of this Loan Agreement, the Borrower Collateral Documents or any of the Security for the Bonds to the Borrower (or any designee of the Borrower), or the cancellation of the Borrower Notes.

Section 2.4. Interest Rates. The interest rate per annum payable on the Borrower Notes shall be equal to the interest rate payable from time to time on the Bonds as provided in Article II of the Bond Issuance Agreement. Interest on the Borrower Notes shall be payable at such times as interest is payable on the Bonds under the provisions of the Bond Issuance Agreement.

Section 2.5. Interest on Amounts Past Due. Notwithstanding anything in this Article II to the contrary, if the Borrower shall fail to make any of the payments required to be made by it under this Agreement or under the Borrower Notes, including, without limitation, any mandatory prepayments required by Section 3.1(b) of this Loan Agreement, such payments shall continue as an obligation of the Borrower until the unpaid amount so overdue shall have been fully paid, and interest on the Borrower Notes shall continue to accrue from the date such payment was due until the date such payment is made or the date the Borrower Notes have been repaid in full, whichever is earlier, at the applicable Past Due Rate described in Section 2.03(f) of the Bond Issuance Agreement with respect to interest on overdue payments under the Bonds.

Section 2.6. Application of Payments. All payments on account of indebtedness outstanding under the Borrower Notes shall be first applied to interest on the unpaid principal balance, and the remainder to the unpaid principal balance, of the Borrower Notes.

Section 2.7. Event of Default under the Bond Issuance Agreement. Upon a declaration of acceleration by the Bondholder under Section 7.02 of the Bond Issuance Agreement, an amount equal to the outstanding principal of the respective Borrower Note, together with accrued interest due thereon, shall become immediately due and payable hereunder, and thereafter, to the extent not previously issued, the Issuer shall be under no obligation to issue further Bonds or make further Loans (or disbursement of Loans) of the proceeds thereof.

Section 2.8. No Defense or Set-off; Unconditional Obligation

(a) The obligation of the Borrower to make the payments required to be made by it herein, the obligation of the Borrower to make the payments pursuant to the Borrower Notes, and the obligation of the Borrower to perform and observe fully all other agreements, obligations and covenants on its part contained herein shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment, abatement or counterclaim it might otherwise have against the Issuer, the Fiscal Agent or the Bondholder.

Subject to Section 14.1 hereof, the Borrower covenants and agrees with and for the express benefit of the Issuer and the Bondholder that all payments pursuant hereto and the Borrower Notes shall be made by the Borrower on or before the dates the same become due, and the Borrower shall perform all of its other obligations, covenants and agreements hereunder, without notice or demand (except as provided herein), and without abatement, deduction, reduction, diminishment, waiver, abrogation, set-off, counterclaim, recoupment, defense or other modification, or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and regardless of any act of God, contingency, event or cause whatsoever, and irrespective (without limitation) of whether any portion of the Project shall have been started or completed, or whether the title to any portion of the Premises or the Project is defective or nonexistent, or whether the revenues of the Borrower are sufficient to make such payments, and notwithstanding any damage to, or loss, theft or destruction of, the Premises or the Project, or any part thereof, expiration of this Loan Agreement, any failure of consideration or frustration of purpose, the taking by eminent domain or otherwise of title to or of the right of temporary use of, all or any part of Premises or the Project, legal curtailment of the use thereof, any assignment, novation, merger, consolidation, transfer of assets, leasing or other similar transaction of or affecting the Borrower, the Premises or the Project, whether with or without the approval of the Issuer, any change in the tax or other laws of the United States of America, the State of Illinois or any political subdivision of either thereof, any change in the Issuer's legal organization or status, or any default of the Issuer hereunder, and regardless of the invalidity of any portion of this Loan Agreement or the Bond Issuance Agreement, or any other document or instrument referred to herein or therein; and, to the extent legally permissible, the Borrower hereby waives the provisions of any statute or other law now or hereafter in effect impairing or conflicting with any of its obligations, covenants or agreements under this Loan Agreement or the Borrower Notes, or which releases or purports to release the Borrower herefrom or therefrom. Nothing in this Loan Agreement shall be construed as a waiver by the Borrower of any rights or claims the Borrower may have against the Issuer under this Loan Agreement or otherwise, but any recovery upon such rights and claims shall be had from the Issuer separately, it being the intent of this Loan Agreement that, except as provided in Section 14.1 hereof, the Borrower shall be unconditionally and absolutely obligated, without right of set-off or abatement, to perform fully all of its obligations,

agreements and covenants under this Loan Agreement and the Borrower Notes for the benefit of the Issuer and the Bondholder.

ARTICLE III PREPAYMENT OF THE BORROWER NOTES

Section 3.1. Prepayment of the Borrower Notes

(a) *Optional Prepayment.* The Borrower may not prepay the Series 2023A Borrower Note. The Borrower may prepay, in whole or in part, on any Business Day, the principal amount of the Series 2023B Borrower Note then outstanding, at a prepayment price of 100% of the principal amount thereof being prepaid (such optional prepayments to be applied to the redemption of the Bonds as provided in Section 3.01 of the Bond Issuance Agreement). A Pre-Payment Fee equal to 1% of the prepaid amount will be assessed if the Series 2023B Borrower Note is paid off within 24 months following the Conversion Date. There will be no Pre-Payment Fee assessed if the Series 2023B Borrower Note is pre-paid through a refinance with M&T Realty Capital Corporation.

(b) *Mandatory Prepayment.* The Series 2023A Borrower Note is not subject to mandatory prepayment. The Series 2023B Borrower Note is subject to mandatory prepayment, without premium or penalty, prior to the Maturity Date on each date that the Series 2023B Bonds are subject to mandatory redemption pursuant to Section 3.02 of the Bond Issuance Agreement in the principal amounts specified therein.

(c) In the event Borrower prepays the Permanent Loan within twenty-four (24) months of Conversion Date, Borrower shall pay a fee of one percent (1%) of the original Principal Balance of the Permanent Loan to Lender (the “**Prepayment Penalty**”). However, Borrower shall not be obligated to pay the Prepayment Penalty to Lender if refinancing lender is M&T Realty Capital Corporation.

Section 3.2. Surrender of Series 2023B Borrower Note on Prepayment. Upon any partial prepayment of the Series 2023B Borrower Note, the Series 2023B Borrower Note may, at the option of the Issuer and the Bondholder (subject to assignment as set forth in Section 4.2 hereof), be surrendered to the Borrower in exchange for a new Series 2023B Borrower Note, of the same series, maturity date and interest rate, and in principal amount equal to the unpaid principal balance thereof; provided that the Borrower executes such documents, instruments, certificates and agreements that the Bondholder may deem necessary or appropriate, and reimburses the Issuer and the Bondholder for any reasonable cost or expense, including, without limitation, reasonable attorneys’ fees and expenses. If the entire unpaid principal balance of the Series 2023B Borrower Note is prepaid, the Series 2023B Borrower Note shall be cancelled by the Bondholder a surrendered to the Borrower, and shall not be so exchanged.

Section 3.3. Funding Losses. Subject to Section 14.1 hereof, the Borrower hereby a to indemnify the Bondholder upon demand against any loss or expense that the Bondholder sustain or incur, including, without limitation, breakage costs and fees, reasonable attorney and expenses, in obtaining, liquidating or employing deposits or other funds acquired t

fund or maintain the Loan and/or the Bonds as a consequence of (a) any failure of the Borrower to make any payment when due of any amount due under the Borrower Notes, or (b) any payment or prepayment of the Loan and/or the Bonds on a date other than the scheduled payment dates therefor. Determinations by the Bondholder, for purposes of this subsection, of the amount required to indemnify the Bondholder shall be conclusive in the absence of manifest error.

ARTICLE IV LIMITED OBLIGATION; ASSIGNMENT BY ISSUER

Section 4.1. Limited Obligation of Issuer. The obligations of the Issuer under this Loan Agreement are special, limited obligations of the Issuer, payable solely out of the Revenues. The obligations of the Issuer hereunder shall not be deemed to constitute an indebtedness or an obligation of the Issuer, the State of Illinois or any political subdivision thereof within the meaning of any constitutional limitation or statutory provision, or a charge against the credit or general taxing powers, if any, of any of them.

Section 4.2. Assignment of Issuer's Rights. As security for the payment of the Bonds, the Issuer will, pursuant to the Bond Issuance Agreement, assign and pledge to the Bondholder all of the Issuer's right, title and interest in and to this Loan Agreement and the Borrower Notes, except that it will retain the Issuer Reserved Rights, but such retention by the Issuer will not limit in any way the exercise by the Bondholder of its rights hereunder, under the Bond Issuance Agreement, the Borrower Notes, the Bonds and the Security for the Bonds. Notwithstanding anything herein to the contrary, the Issuer hereby directs the Borrower to make all payments under this Loan Agreement (except with respect to the Issuer Reserved Rights) and the Borrower Notes directly to the Bondholder. The Borrower hereby acknowledges and consents to such pledge and assignment, and agrees to make payments directly to the Bondholder (except with respect to the Issuer Reserved Rights), without defense or set-off, recoupment or counterclaim by reason of any dispute between the Borrower on the one hand, and the Bondholder, the Fiscal Agent or the Issuer on the other hand, or otherwise. After any such assignment and pledge referenced in this Loan Agreement, the Bond Issuance Agreement, the Bonds, the Borrower Notes or the Security for the Bonds, all rights, interest and benefits accruing to the Issuer under this Loan Agreement or the Borrower Notes, except for the Issuer Reserved Rights, shall be assigned to and become the rights and benefits of the Bondholder. Any obligations of the Issuer as provided in the Bond Issuance Agreement, this Loan Agreement, the Bonds or the Borrower Notes shall remain the limited obligations of the Issuer to the extent provided herein and therein after such assignment. The Issuer agrees that the Bondholder, in its name or in the name of the Issuer, may enforce all rights of the Issuer (other than the Issuer Reserved Rights) and all obligations of the Borrower under and pursuant to the assigned documents as aforesaid, and the Issuer will not enforce such rights and obligations itself except at the written direction of the Bondholder, in each case whether or not the Issuer is in Default hereunder. The Borrower hereby agrees that the obligations of Borrower contained in this Loan Agreement are for benefit of the Issuer and the Bondholder, are evidenced by the Borrower Notes and are secured by the Mortgage and the other Borrower Collateral Documents.

ARTICLE V REPRESENTATIONS AND WARRANTIES OF ISSUER

The Issuer hereby represents and warrants as follows (which representations and warranties shall survive the execution and delivery hereof, the making of the Loan and the issuance of the Borrower Notes):

Section 5.1. Organization and Authority. The Issuer is a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois. Under the Constitution and laws of the State of Illinois, the Issuer has the power to enter into the transaction contemplated by this Loan Agreement, the Bond Issuance Agreement, the Bonds and the Issuer Documents, and to carry out its obligations hereunder and thereunder, including the full right, power and authority to pledge and assign this Loan Agreement and the Borrower Notes to the Bondholder as provided herein. By proper action of the City Council of the Issuer, the Issuer has been duly authorized to execute and deliver this Loan Agreement, the Bonds, the Bond Issuance Agreement and the Issuer Documents.

Section 5.2. Amount of Bonds; Proceeds. The Bonds are being issued in the principal amount of up to \$11,900,000, will mature and bear interest as set forth in Article II of the Bond Issuance Agreement, and will be subject to redemption prior to maturity as set forth in Article III of the Bond Issuance Agreement. The proceeds of the sale of the Bonds will be lent to the Borrower for the purpose of paying Costs of the Project.

Section 5.3. Issuance. The Bonds are to be issued under home rule powers of the Issuer under the Constitution of the State of Illinois and secured by the Bond Issuance Agreement, pursuant to which the right, title and interest of the Issuer in, to and with respect to this Loan Agreement, the Borrower Notes, the Borrower Collateral Documents and the Security for the Bonds (other than with respect to the Issuer Reserved Rights) will be assigned and pledged to the Bondholder as security for payment of the principal of and interest on the Bonds as provided in the Bond Issuance Agreement.

Section 5.4. Non-Assignment. The Issuer has not assigned or pledged, and will not assign or pledge, its interest in this Loan Agreement, the Borrower Notes, the Borrower Collateral Documents (if any) and the Security for the Bonds other than to secure the Bonds.

Section 5.5. Purposes. The Issuer hereby finds and determines that the Project is in the best interests of the Issuer, and that all requirements of the Constitution and laws of the State of Illinois have been complied with.

Section 5.6. No Conflict. To the knowledge of the undersigned representatives of the Issuer, neither the execution and delivery of this Loan Agreement, the Bonds or the Bond Issuance Agreement, the consummation of the transactions contemplated hereby or thereby, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Issuer is now a party or by which it or any of its Property is bound, or constitutes a default under any of the foregoing. THE ISSUER MAKES NO REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE CREDITWORTHINESS

OR THE ABILITY OF THE BORROWER TO MAKE THE PAYMENTS DUE UNDER THIS LOAN AGREEMENT OR THE BORROWER NOTES AND DOES NOT REPRESENT OR WARRANT AS TO ANY OF THE STATEMENTS, MATERIALS (FINANCIAL OR OTHERWISE), REPRESENTATIONS OR CERTIFICATIONS FURNISHED OR TO BE MADE AND FURNISHED BY THE BORROWER IN CONNECTION WITH THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF THE BONDS, OR AS TO THE CORRECTNESS, COMPLETENESS OR ACCURACY OF SUCH STATEMENTS.

Section 5.7. No Litigation. To the knowledge of the undersigned representatives of the Issuer, there is no action, suit, proceeding or investigation pending or threatened against the Issuer that seeks to restrain or enjoin the issuance or delivery of the Bonds, or the execution and delivery of the Bond Issuance Agreement, this Loan Agreement or the Issuer Documents, or that in any way contests or affects any authority for the issuance or delivery of the Bonds, or the execution and delivery of the Bond Issuance Agreement, this Loan Agreement or the Issuer Documents, or the validity of the Bonds, the Bond Issuance Agreement, this Loan Agreement or in any way contests the corporate existence or powers of the Issuer, or in any way affects the exclusion from gross income for Federal income tax purposes of interest on the Bonds.

Section 5.8. Location of the Project. The Project is located entirely within the corporate boundaries of the City of Chicago, Illinois.

ARTICLE VI REPRESENTATIONS AND WARRANTIES OF BORROWER

To induce the Issuer to issue, and the Bondholder to purchase, the Bonds, the Borrower hereby represents and warrants to the Issuer and the Bondholder as follows:

Section 6.1. Organization and Authority. (a) The Borrower is a limited partnership, duly organized, validly existing and in good standing under the laws of the State of Illinois. The General Partner is a limited liability company, duly organized and is validly existing and in good standing under the laws of the State of Illinois.

(b) The Borrower (i) is authorized to do business in the State of Illinois and every other jurisdiction in which the nature of its business or its properties makes such qualification necessary; (ii) has full power and authority to own its properties and to conduct its business as now being conducted, and to enter into, and to perform and observe in all material respects the covenants and agreements in its part contained in, this Loan Agreement, the Borrower Notes and the Borrower Documents; and (iii) is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

(c) The General Partner (i) is authorized to do business in the State of Illinois and every other jurisdiction in which the nature of its business or its properties makes such qualification necessary; (ii) has full power and authority to own its properties and to conduct its business as now being conducted and to enter into, and to perform and observe in all material respects the covenants and agreements in its part contained in the Borrower Documents; and (iii) is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

Section 6.2. Private Placement. Neither the Borrower nor any agent or representative thereof has offered the Borrower Notes to any Person other than the Issuer and the Bondholder.

Section 6.3. Borrowing Legal and Authorized. The Borrower's execution and delivery of, performance by, compliance with this Loan Agreement, the Borrower Notes and the Borrower Documents, and the consummation of the transactions provided for herein and therein: (a) are within the Borrower's powers as an Illinois limited partnership; (b) have been duly authorized; (c) require no approval of any Governmental Body or other Person (other than approval of the Borrower's members, which has already been obtained); (d) do not and will not contravene or conflict with (i) the Limited Partnership Agreement of the Borrower and the Operating Agreement of the General Partner, (ii) any Government Regulation to which it is subject, (iii) any judgment, decree, order or contractual restriction binding on or affecting the Borrower or the General Partner, or the Project, or (iv) any material agreement, indenture, instrument or other document that is binding upon Borrower or any of Borrower's Property; and (e) do not and will not contravene or conflict with, or cause any Lien upon or with respect to any of the Borrower's Property (including, but not limited to, the Project), other than as permitted in writing by the Bondholder or as expressly permitted hereunder.

Section 6.4. Validity; Binding Nature; Approvals. The Borrower Documents are the legal, valid and binding obligations of the Borrower, General Partner and Guarantor, enforceable against the Borrower, General Partner and Guarantor in accordance with their respective terms. No order, authorization, consent, license or exemption of, or filing or registration with, any court or Governmental Body, or any other approval which has not been obtained or taken and is not in full force and effect, is required to authorize, or is required in connection with the execution, delivery and performance by the Borrower, General Partner and Guarantor of the Borrower Documents (except for those which are not yet required to have been obtained in connection with the preservation and substantial rehabilitation of the Project).

Section 6.5. Bond Counsel May Rely on Representations and Warranties. The Borrower agrees that Bond Counsel shall be entitled to rely upon the factual representations and warranties of the Borrower set forth in this Article VI in connection with the delivery of legal opinions on the respective dates of the issuance of the Bonds.

Section 6.6. Pending Litigation. There is no pending action or proceeding before or by any court, Governmental Body or arbitrator against or directly involving the Borrower or the General Partner, and, to the best of the Borrower's knowledge, there is no threatened action or proceeding, or inquiry that might give rise thereto, materially affecting the Borrower or any of its Properties, or the General Partner, before any court, Governmental Body or arbitrator. The Borrower does not know of any basis for any of the foregoing: (a) that, in any case, may materially and adversely affect the financial condition or operation of the Borrower or the General Partner; (b) that, in any case, may seek to restrain, or would otherwise have a material adverse effect on, the transactions contemplated herein; or (c) that, in any case, would affect the validity or enforceability of the Borrower Documents.

Section 6.7. Filing and Payment of Tax Reports and Returns. The Borrower has filed or caused to be filed all federal, state and local tax reports and returns which are required to be filed,

and has paid or caused to be paid all taxes as shown on said returns or which are due or on any assessment received by it.

Section 6.8. Full Disclosure. Neither this Loan Agreement nor any written statement furnished by the Borrower to the Issuer or the Bondholder in connection with the negotiation of the sale of the Bonds contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein or herein not misleading. The Borrower has disclosed to the Bondholder in writing all facts that might materially and adversely affect the transactions contemplated by this Loan Agreement, or that might materially and adversely affect the business, credit, operations, financial condition or prospects of the Borrower, or that might materially and adversely affect any material portion of the Borrower's Properties (including, but not limited to, the Project), or the Borrower's ability to perform its obligations under the Borrower Documents.

Section 6.9. No Defaults. The Borrower is not in default in the payment or performance of any of its obligations, liabilities or indebtedness, or the performance of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which it is a party or by which it or any of its Properties may be bound, which default would have a material and adverse effect on the business, operations, Property or condition, financial or otherwise, of the Borrower. No event, act or condition exists that would constitute a Default or an Event of Default hereunder. The Borrower is not in default under any order, award or decree of any court, arbitrator or Governmental Body binding upon or affecting it, or by which any of its Properties may be bound or affected, which default would have a material adverse effect on the business, operations, Property or condition, financial or otherwise, of the Borrower, and no such order, award or decree adversely affects the ability of the Borrower to carry on its business as currently conducted or the ability of it to perform its obligations under this Loan Agreement, the Borrower Note, the Borrower Collateral Documents, the Security for the Bonds and the Borrower Documents.

Section 6.10. Governmental Consent. Neither the nature of the Borrower nor of any of its activities or Properties, nor any relationship between the Borrower and any other Person, or any circumstances in connection with the execution and delivery by the Borrower of the Borrower Documents, or the performance or observance of any covenants or agreements required to be observed or performed by such Borrower under the Borrower Documents, requires the consent, approval or authorization of, or filing, registration or qualification with, any Governmental Body on the part of the Borrower as a condition to the execution and delivery of the Borrower Documents (except for those which are not yet required to have been obtained in connection with the preservation and substantial rehabilitation of the Project).

Section 6.11. Compliance with Law. The Borrower is currently in compliance with all Government Regulations to which it is subject, and has obtained and shall continue to maintain all licenses, permits, franchises or other governmental authorizations necessary for the ownership of its Property or the conduct of its activities, non-compliance with which or failure to obtain which might materially adversely affect the ability of the Borrower to conduct its activities as currently conducted or the financial condition of the Borrower.

Section 6.12. Restrictions on the Borrower. The Borrower is not a party to any contract or agreement, or subject to any charter or other restriction, that materially and adversely affects

(within the sole discretionary judgment of the Bondholder) its ability to perform its obligations under this Loan Agreement. The Borrower is not a party, or otherwise subject, to any provision contained in any instrument evidencing Indebtedness, any agreement relating thereto or any other contract or agreement (including its Limited Partnership Agreement) that restricts or otherwise limits the incurring of the Indebtedness to be represented by the Borrower Documents. The Borrower possesses all rights and properties necessary for the conduct of its business as currently conducted and as intended to be conducted.

Section 6.13. No Conflict of Interest. No member of the governing body of the Issuer or any elected or salaried officer or official of the Issuer has any interest (financial, employment or other) in the Borrower, the Project or the transactions contemplated by the Borrower Documents.

Section 6.14. Project Compliance. The Project will not violate any existing Government Regulation with respect thereto, and the anticipated use of the Project complies with all existing applicable ordinances, regulations and restrictive covenants affecting the Project, and all requirements of such use that can be satisfied prior to completion of construction have been satisfied.

Section 6.15. Eminent Domain; Damage; Code Violations. The Borrower has not received notice of, and has no knowledge of: (a) any proceedings, whether actual, pending or threatened, for the taking under the power of eminent domain or any similar power or right, of all or any portion of the Project; (b) any damage to or destruction of any portion of the Project; or (c) any zoning, building, fire or health code violations in respect of the Project that have not heretofore been corrected or that are not scheduled to be corrected in connection with the renovation of the Project.

Section 6.16. Permits and Licenses. All building, zoning, safety, health, fire, water district, sewerage and environmental protection agency permits and other licenses and permits that are required by any Governmental Body for the construction, use, occupancy and operation of the Project have been obtained and are in full force and effect (except for those which are not yet required to have been obtained in connection with the preservation and substantial rehabilitation of the Project, and which will be obtained at or prior to the time required by law in connection with the preservation and substantial rehabilitation of the Project).

Section 6.17. Financial Statements. All balance sheet, income statements, statements of cash flow and other financial data that have been or shall hereafter be furnished to the Bondholder for the purposes of or in connection with this Loan Agreement do and will present fairly in accordance with GAAP, consistently applied, the financial condition of the Borrower as of the dates thereof and the results of its operations for the periods covered thereby.

Section 6.18. Broker's Fees. Other than with respect to any term sheet proposal deposit and the origination fee being paid by the Borrower in connection with the purchase of the Bonds by the Bondholder, the Borrower has no obligation to any Person in respect of any finder's, broker's or similar fee in connection with the Borrower Documents.

Section 6.19. Anti-Terrorism Laws

(a) The Borrower and each Affiliate of the Borrower are not in violation in any material respects of any United States requirements of law relating to terrorism, sanctions or money laundering (the “**Anti-Terrorism Laws**”), including the United States Executive Order No. 13224 on Terrorist Financing (the “**Anti-Terrorism Order**”) and the Patriot Act.

(b) The Borrower and each Affiliate of the Borrower (i) are not listed in the annex to, or is otherwise subject to the provisions of, the Anti-Terrorism Order, (ii) are not owned or controlled by, or acting for or on behalf of, any person listed in the annex to, or is otherwise subject to the provisions of, the Anti-Terrorism Order, (iii) do not commit, threaten or conspire to commit or supports “terrorism” as defined in the Anti-Terrorism Order or (iv) are not named as a “specially designated national and blocked person” in the most current list published by Office of Foreign Assets Control (“**OFAC**”).

(c) The Borrower and each Affiliate of the Borrower (i) do not conduct any business or engage in making or receiving any contribution of funds, goods or services to or for the benefit of any person described in clauses (b)(i) through (b)(iv) above, (ii) do not deal in, or otherwise engage in any transactions relating to, any property or interests in property blocked pursuant to the Anti-Terrorism Order and (iii) do not engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

Section 6.20. Patriot Act. The Borrower and each Affiliate of the Borrower are in compliance with (a) the Trading with the Enemy Act, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (b) the Patriot Act and (c) other federal or state laws relating to “know your customer” and anti-money laundering rules and regulations. No part of the proceeds of the Bonds will be used directly or indirectly for any payments to any government official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977.

Section 6.21. Project Contracts: Development Cost Budget. The construction contract with the General Contractor, architect’s agreement and other material agreements, consents, waivers, documents and writings of every kind or character to which Borrower is a party relating to the Project (collectively, the “Project Contracts”) or which at any time have been delivered to Bondholder pursuant to any of the provisions of this Agreement are valid and enforceable against the Borrower and are enforceable against all other parties thereto, and in all material respects are what they purport to be, and to the extent that any such writing shall impose any obligation or duty on the Borrower or constitute a waiver of any rights which the Borrower might otherwise have, said writing shall be valid and enforceable against the Borrower in accordance with its terms. True and correct copies of all of Project Contracts executed by the Borrower on or prior to the date hereof have been delivered to Bondholder by the Borrower prior to the date hereof. The Development Cost Budget for the Project is true and complete in all material respects and sufficient finally and fully to pay for the preservation and substantial rehabilitation of the Project and the

payment of all costs and expenses incurred or estimated to be incurred in connection with the Project in accordance with the terms and conditions hereof.

Section 6.22. Business Loan. The Borrower Notes and the Bonds, including the interest rates thereon, (i) are each a business loan within the purview of 815 ILCS 205/4(1)(c), as amended from time to time, (ii) are each an exempted transaction under the Truth In Lending Act, 12 U.S.C. 1601 et seq., as amended from time to time, and (iii) do not, and when disbursed shall not, violate the provisions of the Illinois usury laws, any consumer credit laws or the usury laws of any state which may have jurisdiction over this transaction or the Borrower.

Section 6.23. Survival. The representations and warranties set forth in this Article VI shall survive until all Liabilities have been indefeasibly paid in full.

Section 6.24. Remaking of Representations and Warranties. At the time of making of each disbursement pursuant to Section 9.3, the Borrower shall be deemed to have remade each of the representations and warranties contained in this Article VI with the same effect as though made on the date of such disbursement.

ARTICLE VII COVENANTS OF BORROWER

Section 7.1. Tax-Exempt Status of the Bonds. The proceeds of the Bonds will be used in a manner consistent with the representations of the Borrower contained herein and the Tax Certificate. The Borrower shall not use the Project, or permit the Project to be used, in such a way as would result in the loss of the exclusion from gross income for federal income tax purposes of interest on the Bonds, and will not act in any manner that would adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Section 7.2. Taxes, Charges and Assessments. The Borrower shall pay or cause to be paid on or before the date they become due, all taxes (except taxes imposed on gross or net income), duties, charges, assessments and impositions on, or on account of, the use, occupancy or operation of the Project, and on any payments under this Loan Agreement or under the Borrower Notes. The Borrower shall promptly pay when due all amounts except such as the Borrower is diligently contesting in good faith and by appropriate proceedings; provided that the Borrower has provided for and is maintaining adequate reserves with respect thereto in accordance with GAAP or a bond or other acceptable form of security to assure payment is made.

Section 7.3. Compliance with Orders, Ordinances, Etc. The Borrower shall, at its sole cost and expense, comply with all current and future applicable Government Regulations, the failure to comply with which would materially and adversely affect the Project or the use, occupancy or condition thereof. The Borrower shall have the right to contest any such Government Regulation and, in the event of any such contest, may refrain from complying therewith during the period of such contest and any appeal therefrom; provided that it has furnished additional security satisfactory to the Bondholder for any loss or damage that the Bondholder may sustain by reason of such non-compliance.

Section 7.4. Books, Records and Inspections. The Borrower shall maintain complete and accurate books and records (including records relating to the Project), and, during reasonable times and upon reasonable notice (except upon an Event of Default when no such notice shall be required), shall permit the Issuer and the Bondholder to have full and complete access to such books and records of the Borrower, and shall permit the Issuer and the Bondholder to visit, audit, examine, copy and inspect, as applicable, the Borrower's books and records, offices, Premises and operations, at the sole cost and expense of the Borrower. The Issuer and the Bondholder have no duty to visit the Premises, to supervise or observe construction or to examine any books or records. Any site visit, observation or examination by the Issuer or the Bondholder is solely for the purpose of protecting their respective rights and interests. No site visit, observation or examination by the Issuer or the Bondholder will impose any liability on the Issuer or the Bondholder or result in a waiver of any Event of Default of the Borrower or be a representation that the Borrower is or will be in compliance with the approved Plans and Specifications for the Project, that the construction of the Project is free from defective materials or workmanship, or that the construction complies with all applicable laws, ordinance and regulations. Neither the Borrower, nor any other party, is entitled to rely on any site visit, observation or examination by the Issuer or the Bondholder. The Issuer and the Bondholder owe no duty of care to protect the Borrower or any other party against, or to inform the Borrower or any other party of, any negligent or defective design or construction of the Project or any other adverse condition affecting the Premises.

Section 7.5. Change in Nature of Operations. The Borrower shall not make any material change in the nature of its operations carried on as of the date of issuance of the Bonds unless consented to in writing by the Issuer and the Bondholder.

Section 7.6. Borrower to Maintain Existence; Consolidation or Merger. Absent the prior written consent of the Bondholder, the Borrower shall, as long as the Bonds are outstanding, maintain its existence, not dissolve, liquidate, transfer any partnership except as provided herein or other equity interest in the Borrower or otherwise dispose of all or substantially all of its assets, and not consolidate with or merge into another business entity or permit one or more other business entities to consolidate with or merge into it. Notwithstanding anything to the contrary contained herein, the Limited Partner shall be permitted to remove the General Partner and replace the General Partner with an affiliate of the Limited Partner in accordance with the Limited Partnership Agreement without the consent of the Bondholder, provided that (a) the partnership interests of any such substitute General Partner shall be subject to the Bondholder's security interests pursuant to the terms of the Security Agreement, and (b) any such substitute General Partner shall execute any and all documents, including security agreements and financing statements, as the Bondholder may reasonably request in order to create, perfect, or continue such security interests. Notwithstanding the foregoing, the substitute General Partner shall assume all the rights and obligations of the General Partner under all of the Borrower Collateral Documents.

Prior to the payment of all the Capital Contributions, the Limited Partner interests shall be transferable at any time without the consent of the Issuer or the Bondholder, so long as (a) such interest is transferred to an Affiliate of the Limited Partner, (b) Borrower provides Bondholder and the Issuer with prior written notice of such proposed transfer, (c) any consents required under the documents evidencing and securing the Additional Funding Sources have been obtained, and (d) if the Limited Partner whose interest is to be transferred has Capital Contributions remaining to be funded under the Limited Partnership Agreement, Borrower provides Bondholder and the Issuer

with financial information concerning such proposed transferee sufficient to demonstrate to Bondholder's and the Issuer's reasonable satisfaction, the financial capacity of such proposed transferee to fund its Capital Contribution obligations under the Limited Partnership Agreement; provided, however, that any other Limited Partner transfers prior to the payment of all the Capital Contributions shall require Bondholder and Issuer consent. After all Capital Contributions have been made pursuant to the terms and conditions of the Limited Partnership Agreement, such Limited Partner interests shall be transferable pursuant to the Limited Partnership Agreement.

The partners comprising the Borrower shall be permitted to amend the Limited Partnership Agreement to reflect such removal and substitution of the General Partner or permitted transfer of the Limited Partner's interests pursuant to the Limited Partnership Agreement. Notice of any such change must be given by the Borrower to the Issuer and Bondholder.

Section 7.7. Transfer of Project. Absent the prior written consent of the Bondholder and the Issuer, the Borrower shall not sell, transfer or otherwise dispose of the Project or any portion thereof (other than sales or other dispositions of obsolete equipment or fixtures in the ordinary course of business) while the Bonds are Outstanding.

Section 7.8. Environmental Requirements; Indemnity

(a) As between the Issuer and the Borrower, the Issuer and the Borrower agree and understand that the terms and provisions of the Environmental Indemnity Agreement shall govern all indemnifications from the Borrower to the Issuer with respect to environmental matters affecting the Project. The terms and provisions of the Environmental Indemnity Agreement are incorporated herein by this reference, mutatis mutandis, as if fully set forth herein with respect to such relationship. As such, the balance of the provisions of this Section govern only the relationship between the Borrower and the Bondholder with respect to indemnifications from the Borrower to the Bondholder with regard to environmental matters affecting the Project.

(b) For purposes of this Section 7.8, the term "Hazardous Substance" means and includes any substance, material or waste, including asbestos, petroleum and petroleum products (including crude oil), that is or becomes designated, classified or regulated as "toxic," "hazardous" or a "pollutant," or that is or becomes similarly designated, classified or regulated, under any federal, state or local law, regulation or ordinance, but does not include any such substance that is a customary and ordinary household, cleaning or office product used on the Premises by Borrower or any tenant or agent of Borrower, or customary construction materials used during the course of construction of the Project by the Borrower and its general contractor, provided such use is in accordance with applicable hazardous materials laws.

(c) Before signing this Loan Agreement, the Borrower researched and inquired into the previous uses and owners of the Premises and obtained a Phase I environmental site assessment, and other reports with respect to the environmental conditions of the Premises (collectively, the "**Environmental Reports**"), copies of which have been delivered to the Bondholder. Based on that due diligence, the Borrower represents and warrants to the Bondholder that, except as the Borrower has disclosed to the Bondholder in writing and as described in the Environmental Reports, (i) no Hazardous Substance has been disposed of, or released to or from,

or otherwise now exists in, on, under or around, the Premises, and (ii) no aboveground or underground storage tanks are now or have ever been located on or under the Premises.

(d) The Borrower has complied, and will comply and cause all tenants and any other persons who may come upon the Premises to comply in all material respects with all federal, state and local laws, regulations and ordinances governing or applicable to Hazardous Substances (“**Environmental Laws**”), including those requiring disclosures to prospective and actual buyers or tenants of all or any portion of the Premises. The Borrower will not install or allow to be installed any aboveground or underground storage tanks on the Premises. The Borrower must comply with the recommendations of any qualified environmental engineer or other expert engaged by the Borrower with respect to the Premises. The Borrower must promptly notify the Bondholder in writing (i) if it knows, suspects or believes there may be any Hazardous Substance in or around any part of the Premises, any improvements constructed on the Premises, or the soil, groundwater or soil vapor on or under the Premises, or that the Borrower or the Premises may be subject to any threatened or pending investigation by any governmental agency under any law, regulation or ordinance pertaining to any Hazardous Substance, and (ii) of any claim made or threatened by any person, other than a governmental agency, against the Borrower arising out of or resulting from any Hazardous Substance being present or released in, on or around any part of the Premises, any Improvements constructed on the Premises or the soil, groundwater or soil vapor on or under the Premises (any of the matters described in clauses (i) and (ii) above a “**Hazardous Substances Claim**”).

(e) The Bondholder, and its respective officers, employees, directors, agents, parent, subsidiary, affiliates, assignees, and any purchasers of the Premises at any foreclosure sale with respect to the Mortgage (each individually, an “**Indemnified Party**,” and all collectively, the “**Indemnified Parties**”), have the right at any reasonable time and upon notice to the Borrower to enter and visit the Premises for the purposes of observing the Premises, taking and removing soil or groundwater samples and conducting tests on any part of the Premises. The Indemnified Parties have no duty, however, to visit or observe the Premises or to conduct tests, and no site visit, observation or testing by any Indemnified Party imposes any liability on any Indemnified Party. In no event will any site visit, observation or testing by any Indemnified Party be a representation that Hazardous Substances are or are not present in, on or under the Premises, or that there has been or will be compliance with any law, regulation or ordinance pertaining to Hazardous Substances or any other applicable governmental law. Neither the Borrower nor any other party is entitled to rely on any site visit, observation or testing by any Indemnified Party. The Borrower waives to the fullest extent permitted by law any such duty of care on the part of the Indemnified Parties or any other party to protect the Borrower or inform the Borrower or any other party of any Hazardous Substances or any other adverse condition affecting the Premises. Any Indemnified Party will give the Borrower reasonable notice before entering the Premises. The Indemnified Party will make reasonable efforts to avoid interfering with the Borrower’s use of the Premises in exercising any rights provided in this Section. The Borrower must pay all reasonable costs and expenses incurred by an Indemnified Party in connection with any inspection or testing conducted in accordance with this subsection if the same are performed as a result of any violation or potential violation, as determined in Bondholder’s sole and absolute discretion, of Environmental Laws. The results of all investigations conducted and/or reports prepared by or for any Indemnified Party must at all times remain the property of the Indemnified Party, and under no circumstances will any Indemnified Party have any obligation whatsoever to disclose or otherwise make available to

the Borrower or any other party the results or any other information obtained by any of them in connection with the investigations and reports. Notwithstanding the foregoing, the Indemnified Parties hereby reserve the right, and the Borrower hereby expressly authorizes any Indemnified Party, to make available to any party (including any governmental agency or authority and any prospective bidder at any foreclosure sale of the Premises with respect to the Mortgage) any and all reports, whether prepared by any Indemnified Party or prepared by the Borrower and provided to any Indemnified Party (collectively, "**Environmental Reports**") that any Indemnified Party may have with respect to the Premises. The Borrower consents to the Indemnified Parties' notifying any party (either as part of a notice of sale or otherwise) of the availability of any or all of the Environmental Reports and the information contained therein. The Borrower acknowledges that the Indemnified Parties cannot control or otherwise assure the truthfulness or accuracy of the Environmental Reports and that the release of the Environmental Reports, or any information contained therein, to prospective bidders at any foreclosure sale of the Premises with respect to the Mortgage may have a material and adverse effect upon the amount that a party may bid at such sale. The Borrower agrees that the Indemnified Parties have no liability whatsoever as a result of delivering any or all of the Environmental Reports or any information contained therein to any third party, and the Borrower hereby releases and forever discharges the Indemnified Parties from any and all claims, damages, or causes of action, arising out of, connected with or incidental to the Environmental Reports or the delivery thereof.

(f) The Borrower must promptly undertake any and all remedial work ("Remedial Work") in response to Hazardous Substances Claims to the extent required by governmental agency or agencies involved or as recommended by prudent business practices, if such standard requires a higher degree of remediation, and in all events to minimize any impairment to the Bondholder's security under the Borrower Collateral Documents. All Remedial Work must be conducted (i) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (ii) pursuant to a detailed written plan for the Remedial Work approved by all public or private agencies or persons with a legal or contractual right to such approval, (iii) with insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities, and (iv) only following receipt of any required permits, licenses or approvals. The selection of the Remedial Work contractors and consulting environmental engineer, the contracts entered into with such parties, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) at the Bondholder's option, is subject to the Bondholder's prior written approval, which may not be unreasonably withheld or delayed.

(g) The obligations and rights of the parties under this Section 7.8 are secured by the Mortgage until the first to occur of full, final and indefeasible repayment of the Liabilities or the transfer of title to all or any part of the Premises at a foreclosure sale under the Mortgage or by deed in lieu of such foreclosure (any of the foregoing transfers being referred to as a "**Foreclosure Transfer**"). The parties' obligations and rights under this Section 7.8 continue in full force and effect after the full and final payment of the Liabilities or a Foreclosure Transfer, as the case may be, but (i) in the case of a full and final payment of the Liabilities, the Borrower's obligations under this Section 7.8 are thereafter limited to the indemnification obligations of subsections (h) and (i) below as to Indemnified Costs (as defined below) arising out of or as a result of events prior to the full and final payment of the Liabilities, and (ii) in the case of a

Foreclosure Transfer, the obligations do not include the obligation to reimburse any Indemnified Party for diminution in value of the Premises resulting from the presence of Hazardous Substances on the Premises before the date of the Foreclosure Transfer if, and to the extent that, the Indemnified Party recovers on a deficiency judgment including compensation for such diminution in value; provided, however, that nothing in this sentence impairs or limits an Indemnified Party's right to obtain a judgment in accordance with applicable law for any deficiency in recovery of all obligations that are secured by the Mortgage, subject to the provisions of Section 14.1 hereof. As used in this Section 7.8, the term "Indemnified Costs" means all actual or threatened liabilities, claims, actions, causes of action, judgments, orders, damages (including foreseeable and unforeseeable consequential damages), costs, expenses, fines, penalties and losses incurred in connection with Hazardous Substances on the Property (including sums paid in settlement of claims and all consultant, expert and reasonable legal fees and expenses of the Bondholder's counsel), including those incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work (whether of the Premises or any other property), or any resulting damages, harm or injuries to the person or property of any third parties or to any natural resources.

(h) Unless due to the gross negligence or intentional misconduct of the Indemnified Parties, the Borrower shall indemnify, defend and hold the Indemnified Parties harmless for, from and against any and all Indemnified Costs directly or indirectly arising out of or resulting from any Hazardous Substance being present or released in, on or around any part of the Premises, or in the soil, groundwater or soil vapor on or under the Premises, including: (i) any claim for such Indemnified Costs asserted against any Indemnified Party by any federal, state or local governmental agency, including the United States Environmental Protection Agency and the Illinois Environmental Protection Agency, and including any claim that any Indemnified Party is liable for any such Indemnified Costs as an "owner" or "operator" of the Premises under any law relating to Hazardous Substances; (ii) any claim for such Indemnified Costs asserted against any Indemnified Party by any person other than a governmental agency, including (1) any person who may purchase or lease all or any portion of the Premises from the Borrower, from any Indemnified Party or from any other purchaser or lessee, (2) any person who may at any time have any interest in all or any portion of the Premises, (3) any person who may at any time be responsible for any clean-up costs or other Indemnified Costs relating to the Premises, and (4) any person claiming to have been injured in any way as a result of exposure to any Hazardous Substance; (iii) any Indemnified Costs incurred by any Indemnified Party in the exercise by the Indemnified Party of its rights and remedies under this Section 7.8; and (iv) any Indemnified Costs incurred by any Indemnified Party as a result of currently existing conditions in, on or around the Premises, whether known or unknown by the Borrower or the Indemnified Parties at the time this Loan Agreement is executed, or attributable to the acts or omissions of the Borrower, any of the Borrower's tenants, or any other person in, on or around the Premises with the consent or under the direction of the Borrower.

(i) Unless due to the gross negligence or intentional misconduct of the Indemnified Parties, upon demand by any Indemnified Party, the Borrower must defend any investigation, action or proceeding involving any Indemnified Costs that is brought or commenced against any Indemnified Party, whether alone or together with the Borrower or any other person, all at the Borrower's own cost and by counsel approved by the Indemnified Party. In the alternative, any Indemnified Party may elect to conduct its own defense at the Borrower's expense.

(j) In addition to any other rights or remedies the Bondholder may have under this Agreement, at law or in equity, upon the occurrence of an Event of Default under this Loan Agreement, the Bondholder may do or cause to be done whatever is necessary to cause the Premises to comply with any and all laws, regulations and ordinances governing or applicable to Hazardous Substances, and any other applicable law, rule, regulation, order or agreement, and the cost thereof will become immediately due and payable upon demand by the Bondholder, and if not paid when due will accrue interest at the default rate set forth in the Bonds, until paid. The Borrower hereby acknowledges and agrees that any amounts realized by the Bondholder by reason of the following may be applied to pay the Liabilities prior to being applied to pay the Borrower's obligations to reimburse the Bondholder for costs and expenses, including those incurred by the Bondholder in enforcing its rights and remedies under the provisions of this Section 7.8: (i) any payments made pursuant to the Bonds or any of the Borrower Collateral Documents (other than payments made to the Bondholder for reimbursement of costs and expenses or for enforcement of its rights and remedies, under the provisions of this Section 7.8); (ii) any foreclosure of the Mortgage or the other documents evidencing or securing the Liabilities (including any amounts realized by reason of any credit bid in connection with any such foreclosure); (iii) any conveyance in lieu of foreclosure; (iv) any other realization upon any security for the Liabilities; (v) any recoveries against the Borrower personally (except for recoveries against the Borrower for reimbursement of costs and expenses or enforcement of the Bondholder's rights and remedies under this Section 7.8); and (vi) any recoveries against any person or entity other than the Borrower (including any guarantor) to the maximum extent permitted by applicable law.

(k) To the extent any provision of this Section 7.8 conflicts with or provides lesser protection to the Bondholder than that provided by the Environmental Indemnity Agreement, the provisions of the Environmental Indemnity Agreement shall control.

Section 7.9. Insurance. The Borrower shall at all times maintain insurance with respect to the Project as is set forth in the Mortgage.

Section 7.10. Project Budget. All Costs of the Project shall be identified by line item in the Development Cost Budget approved in writing by the Bondholder, the Bondholder's purchase of the Bond to constitute evidence that the Bondholder has approved the initial Development Cost Budget. The initial Development Cost Budget shall have a hard cost contingency line item in the minimum amount of ten percent (10%) of the hard cost amount (exclusive of profit and overhead) of the approved contract for construction of the Project between the Borrower and a general contractor approved by the Bondholder. The initial Development Cost Budget, once so approved by the Bondholder shall not be modified or amended without the prior written approval of the Bondholder; provided, that individual line item changes in an amount not individually in excess of [\$50,000] and in the aggregate not in excess of [\$200,000] may be made without Bondholder approval, provided that the entire budget is "in balance" as provided in Section 6.12.

Section 7.11. Completion of Construction

(a) The Borrower shall commence construction of the Project on or before April 1, 2023, shall achieve Substantial Completion on or before March 31, 2025, provided that such deadline may, in Bondholder's sole discretion, be extended in writing by Bondholder by the number of days resulting from any Unavoidable Delay (but under no circumstances shall such date be extended by more than sixty (60) days in the aggregate), provided that Bondholder shall not be obligated to grant any such extension unless (a) Borrower gives notice of such delay to Bondholder within ten (10) days of learning of the event resulting in such delay, (b) after giving effect to the consequences of such delay, the Project shall remain "in balance", and (c) in Bondholder's sole discretion, extending said date will not jeopardize the Project's receipt of the tax credits allocated to the Project or Limited Partner's funding of the Capital Contributions, and shall Complete all improvements comprising the Project by June 1, 2025. "**Unavoidable Delay**" shall mean any delay in the construction of the Project, caused by natural disaster, fire, earthquake, floods, explosion, extraordinary adverse weather conditions, pandemic, inability to procure labor, equipment, facilities, energy, materials or supplies in the open market, failure of transportation, strikes or lockouts.

(b) For purposes of this Section, the Project shall be deemed "Complete" when (a) the Project has achieved Substantial Completion; (b) final lien waivers from the Borrower's General Contractor and any other contractors providing materials and labor in connection with the Project have been obtained, or the Borrower shall have deposited with the Bondholder such surety bond, cash or other security satisfactory to the Bondholder in its sole discretion to secure the payment of any unpaid claims; (c) a final certificate of occupancy (or its functional equivalent) has been issued by the City of Chicago Department of Buildings with respect to the Project; (d) all buildings in the Project have been "placed in service" pursuant to the requirements of Section 42 of the Internal Revenue Code; and (e) the 50% Test (as defined in the Limited Partnership Agreement) has been satisfied.

Section 7.12. Balancing. The Borrower shall maintain the sources and uses of funds for the Project "in balance." The Project is "in balance" whenever the amount of the undisbursed funds (the "**Undisbursed Funds**") considering all financing sources that are, in the Bondholder's reasonable judgment, available for disbursement to pay Costs of the Project are sufficient, in the Bondholder's reasonable judgment, to pay all budgeted and unpaid Costs of the Project through completion of the Project, except for developer fees. The Project is "out of balance" if and when the Bondholder in its reasonable judgment determines that the Undisbursed Funds for the Project are insufficient to pay for all Costs of the Project.

Section 7.13. Change Orders. The Borrower must obtain the Bondholder's prior written approval of any change in any work or materials for the Project (whether positive or negative) exceeding \$100,000. Also, the Borrower must obtain the Bondholder's prior written approval for any change in any work or materials if the aggregate amount of all changes (whether positive or negative) with respect to the Project will then exceed the established construction contingency.

Section 7.14. Covenant Against Liens. The Borrower shall not create, incur, assume or suffer to exist any lien on any portion of the Property except for Permitted Encumbrances (as defined in the Mortgage). The Borrower must pay or otherwise discharge promptly all claims and

liens for labor done and materials and services furnished in connection with the construction of the Project. The Borrower has the right to contest in good faith any claim or lien, provided that (i) it does so diligently and without prejudice to the Bondholder or delay in completing the Project by the Completion Date, (ii) it concludes such contest prior to the initial Maturity Date, and (iii) neither the Project nor any part thereof or interest therein will be in danger of being sold, forfeited, terminated, cancelled or lost. Promptly upon the Bondholder's request, the Borrower must provide a bond, cash deposit or other security satisfactory to the Bondholder in the exercise of its reasonable judgment.

Section 7.15. Financial Statements. Borrower shall furnish or cause to be furnished to Bondholder, in the manner and to the extent required under the Schedule 7.15 of this Loan Agreement, such financial statements, expenses statements, rent rolls, reports and other financial documents and information as required by the Borrower Collateral Documents, in the form and within the time periods required therein, and such other information concerning the assets, business, financial condition, operations, property, prospects and results of operations of Borrower, General Partner, Guarantor or the Project, as Bondholder reasonably requests from time to time. "Audited" financial statements required in Schedule 7.15 shall be prepared in accordance with the Accounting Rules and in the case of the annual financial statements, accompanied by an unqualified opinion of a firm of independent public accountants of recognized national standing, selected by Borrower and/or Guarantor and reasonably satisfactory to Bondholder, to the effect that the financial statements have been prepared in accordance with the Accounting Rules and present fairly in accordance with the Accounting Rules the financial condition of Borrower or Guarantor as of the close of such fiscal year and the results of its operations and cash flows for the fiscal year then ended and that an examination of such accounts in connection with such financial statements has been made in accordance with generally accepted auditing standards and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances.

Section 7.16. Notices. The Borrower must notify the Bondholder promptly in writing of: (a) any litigation affecting the Borrower, the General Partner or the Guarantor, the defense of which has not been tendered to and accepted by the Borrower's insurance carrier; (b) any written or oral communication the Borrower, the General Partner, the Guarantor or the Developer receives from any governmental, judicial or legal authority giving notice of any claim or assertion that the Premises or the Project fails in any material respect to comply with any of any applicable law, ordinance, rule, regulation or other governmental requirements; (c) any material adverse change in the physical condition of the Project (including any damage suffered as a result of earthquakes or floods); (d) any material adverse change in financial condition or operations of the Borrower, the General Partner, the Guarantor or the Developer; (e) any change in the ownership or control of the Borrower or any of its partners; or (f) any default by the Borrower's General Contractor or any subcontractor or material supplier for the Project.

Section 7.17. Zoning Amendments, Subdivisions, etc. The Borrower will not, without the prior written consent of the Bondholder, suffer or cause any change in zoning relating to the Premises or permit any vacation of any existing public street or alley serving the Premises or dedicate any portion of the Premises or convert any portion of the Project to condominium or cooperative ownership.

Section 7.18. Signage. Until the Project is Complete, the Borrower shall permit the Bondholder to display signage in cooperation with other Project funders in a highly visible location on the Project site.

Section 7.19. Compliance with Conditions to Capital Contributions. Borrower shall, prior to the Maturity Date, complete construction of the Project and conduct operations so as to achieve Breakeven Operations (as defined in the Limited Partnership Agreement).

ARTICLE VIII COVENANTS OF THE ISSUER

Until the payment in full of the Bonds and the Borrower Notes, and until all Liabilities are indefeasibly satisfied in full, the Issuer covenants and agrees that each of the covenants, undertakings and agreements set forth in this Section shall be complied with.

Section 8.1. Payment of Principal and Interest. The Issuer shall promptly pay the principal of and interest on the Bonds at the place, on the dates and in the manner provided in the Bond Issuance Agreement and the Bonds according to the true intent and meaning thereof; provided, however, that the Bonds shall be a special, limited obligation of the Issuer payable as to principal and interest solely from the Revenues as provided in Section 2.08 of the Bond Issuance Agreement.

Section 8.2. Borrower Notes. The Issuer shall not thwart the efforts of the Borrower or the Bondholder to defend (and, upon the written request of the Bondholder, shall assist in such defense) the title to the Borrower Notes against all claims and demands of all Persons whomsoever, and hereby authorizes the Borrower and the Bondholder to defend, on behalf of the Issuer, all such claims and demands.

Section 8.3. Further Assurances. The Issuer shall execute, acknowledge and deliver each and every further act, deed; conveyance, transfer and assurance reasonably necessary or proper for the better assuring of the pledge and assignment to the Bondholder of this Loan Agreement, the Borrower Notes and the Security for the Bonds. The Borrower agrees to pay all reasonable expenses incurred by the Issuer in connection with the performance by the Issuer of its agreements under this Section 8.3.

Section 8.4. Arbitrage. The Issuer shall not take any action within its control, or fail to take any action of which it has knowledge, with respect to the investment of the proceeds of the Bonds, including, without limitation, moneys on deposit in any Fund or Account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, or with respect to the payments derived from the Borrower Notes, which may result in constituting the Bonds "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations. The Issuer further covenants to create a rebate fund upon direction by the Borrower to facilitate the payment of any rebatable arbitrage that may arise.

Section 8.5. Recordation and Other Instruments. As provided in Section 6.04 of the Bond Issuance Agreement, in order to perfect the security interest of the Bondholder in the Security for the Bonds, the Issuer, to the extent permitted by law, will execute such assignments, security agreements or financing statements, naming the Bondholder as assignee and pledgee of the

Security for the Bonds assigned and pledged under the Bond Issuance Agreement for the payment of the principal of and interest on the Bonds and as otherwise provided herein, as the Bondholder shall reasonably request in writing, and the Borrower will cause the same to be duly filed and recorded, as the case may be, in the appropriate state and county offices as required by the provisions of the Uniform Commercial Code or other similar law as adopted in Illinois, as from time to time amended. The Issuer, to the extent permitted by law, at the expense of the Borrower, shall execute and cause to be executed any and all further instruments as shall be reasonably requested in writing by the Bondholder for such protection and perfection of the interests of the Bondholder, and the Issuer or its agent shall, upon written direction from the Bondholder, file and refile or cause to be filed and refiled such instruments as shall be necessary to preserve and perfect the lien of the Bond Issuance Agreement upon the Security for the Bonds until the principal of and interest on the Bonds issued hereunder shall have been paid or provision for payment shall be made as herein provided.

Section 8.6. Assignment of Issuer's Rights. As security for the payment of the Bonds, the Issuer shall assign and pledge this Loan Agreement (except for Issuer Reserved Rights), the Borrower Notes and the Security for the Bonds to the Bondholder. The Bondholder and the Borrower hereby agree to such assignment, and the Borrower agrees that it shall make payments directly to the Bondholder as herein provided, without any defense or rights of set-off whatsoever.

ARTICLE IX CONSTRUCTION OF PROJECT; ISSUANCE OF BONDS

Section 9.1. Agreement to Complete Project; Application of Bond Proceeds. The Borrower shall apply the proceeds of the Bonds to the acquisition, rehabilitation and equipping of the Project as described in **Exhibit B** attached hereto. The Borrower acknowledges and agrees that the disbursement of proceeds of the Bonds shall be made in the order and pursuant to the terms of the Construction Escrow Agreement and the Continuing Covenants Agreement. The Borrower agrees that the preservation and substantial rehabilitation of the Project will at all times proceed with due diligence to completion.

Section 9.2. Agreement to Issue the Bonds

(a) In order to provide funds to make the Loan to the Borrower to pay a portion of the Costs of the Project and related expenses, but subject to the terms and conditions contained in the Bond Issuance Agreement, the Issuer agrees that it will issue, sell and cause to be delivered to the Bondholder the Bonds in the principal amount of up to \$11,900,000 bearing interest and maturing as set forth in the Bond Issuance Agreement. The Issuer will deposit, or cause to be deposited, the proceeds of the Bonds advanced by the Bondholder pursuant to the Bond Issuance Agreement with the Fiscal Agent for deposit in the Construction Fund in accordance with Article IV of the Bond Issuance Agreement.

(b) Notwithstanding any other provision herein to the contrary, the maximum principal amount of Bond proceeds which are advanced (and thus the maximum principal amount of Loan proceeds which are disbursed) shall not exceed the sum of (i) ninety percent (90%) of the low income housing tax credits equity contributions scheduled to be contributed by the Limited Partner of the Borrower under the Limited Partnership Agreement, (ii) eighty-five percent (85%)

of the “as stabilized” appraised value of the Project as completed (as set forth in the appraisal prepared for the Bondholder prior to the Closing Date), and (iii) ninety percent (90%) of the CDBG Funds as they are expended on the Project.

Section 9.3. Disbursements from the Construction Fund. Upon receipt by the Fiscal Agent of the proceeds from the sale of the Bonds as advanced by the Bondholder, the Fiscal Agent will, subject to the Continuing Covenants Agreement and the prior written approval of the Bondholder, disburse moneys in the Construction Fund to or on behalf of the Borrower for the following purposes, to the extent included in the related Development Cost Budget or otherwise approved by Bondholder:

(a) Payment of the fees and expenses for recording or filing any required documents or instruments by which the revenues and receipts to be derived by the Issuer pursuant to this Loan Agreement, the related Borrower Notes and the Security for the Bonds are assigned and pledged as security for the related Bonds, and the fees and expenses for recording or filing any financing statements and any other documents or instruments that either the Borrower or counsel to the Issuer may deem desirable to file or record.

(b) Payment to the Borrower of such amounts as shall be necessary to reimburse the Borrower (or for the Borrower to reimburse the Developer, if applicable) in full for all advances and payments made or costs that have been or will be incurred prior to or after the delivery of the Bonds for expenditures in connection with the preparation of Plans and Specifications (including any preliminary study or planning of the Project or any aspect thereof), the preservation and substantial rehabilitation of the Project and the acquisition and installation necessary to provide utility services and all real or personal properties deemed necessary in connection with the Project.

(c) Payment or reimbursement to the Borrower of all financial, legal and accounting fees and expenses (including all expenses incurred in connection with the placement of the Bonds) incurred in connection with the authorization, sale and issuance of the Bonds, the preparation of the Bond Issuance Agreement, this Loan Agreement, the Security for the Bonds, the Borrower Documents, the Issuer Documents and all other documents in connection therewith.

(d) Payment or reimbursement for labor, services, materials and supplies used or furnished on site improvements and in the acquisition, rehabilitation and equipping of the Project as provided in **Exhibit B** hereto, payment for the cost of the acquisition and installation of utility services or other facilities, and the acquisition and installation of all real and personal property deemed necessary in connection with the Project and payment for the miscellaneous capitalized expenditures incidental to any of the foregoing items.

(e) Payment or reimbursement of the fees if any, for architectural, engineering, legal, investment banking and supervisory services with respect to the Project, and of any costs incurred to obtain the General Contractor’s payment and performance bond, and of any fees payable to the Issuer or the Bondholder, or the Issuer’s or the Bondholder’s counsel, or to the Limited Partner in connection with the financing of the Project.

(f) To the extent not paid pursuant to a contract for preservation and substantial rehabilitation with respect to any part of the Project, payment of the premiums on all insurance required to be taken out and maintained with respect to the Project during the term of the Bonds.

(g) Payment of the taxes, assessments and other charges, if any, that may become payable during the term of the Bonds with respect to the Project, or reimbursement thereof if paid by the Borrower.

(h) Payment of expenses incurred in seeking to enforce any remedy against any supplier, conveyor, grantor, contractor or subcontractor in respect of any default under a contract relating to the Project.

Each of the payments referred to in this Section 9.3, other than those payments referred to in subsection (h) above, shall be made upon receipt by the Fiscal Agent of the documents and showings specified in Section 9.5 hereof.

Notwithstanding any other provision hereof or of the Bond Issuance Agreement, in the event the moneys in the Construction Fund and the Construction Escrow, together with the balance of monies that are available through the Additional Funding Sources, for payment of the Costs of the Project should not, in the Bondholder's reasonable judgment, be sufficient to pay the costs thereof in full, the Borrower agrees within ten (10) days after receipt of written notice thereof from the Bondholder to pay directly, or to deposit in the Construction Fund (or in the Construction Escrow) moneys sufficient to pay, the costs of completing the Project as may be in excess of the moneys available therefor in the Construction Fund and the Construction Escrow and from the Additional Funding Sources. NEITHER THE ISSUER NOR THE BONDHOLDER MAKES ANY WARRANTY, EITHER EXPRESS OR IMPLIED, THAT THE MONEYS THAT WILL BE PAID INTO THE CONSTRUCTION FUND, AND THAT, UNDER THE PROVISIONS OF THIS LOAN AGREEMENT, WILL BE AVAILABLE FOR PAYMENT OF THE COSTS OF THE PROJECT RELATING TO THE PROJECT, WILL BE SUFFICIENT TO PAY ALL THE COSTS THAT WILL BE INCURRED IN THAT CONNECTION. The Borrower agrees that if it should pay or should deposit moneys in the Construction Fund or Construction Escrow for payment of any portion of the Costs of the Project pursuant to the provisions of this Section 9.3, it shall not be entitled to any reimbursement therefor from the Issuer, the Fiscal Agent or the Bondholder, nor shall it be entitled to any diminution of the amounts payable under the Borrower Notes or hereunder. The Borrower hereby pledges, sets over and transfers to the Issuer and hereby grants to the Issuer a security interest and right of setoff in all rights to the proceeds in the escrow account, if any, created pursuant to Section 9.4 of this Loan Agreement.

All proceeds of the Bonds remaining in the Construction Fund or in the Construction Escrow after the Project is Complete, and after payment or provision for payment of all other items provided for in subsections (a) to (h), inclusive, of this Section 9.3, shall be used in accordance with Section 9.4 hereof.

Section 9.4. Completion of the Project

(a) Any proceeds of the Bonds (including investment proceeds) remaining in the Construction Fund or in the Construction Escrow on the date the Project is Completed and not

set aside for the payment of Costs of the Project not then due and payable shall on such date be transferred to, if applicable, and placed by the Fiscal Agent in a separate escrow account and used to pay the outstanding principal balance of the Borrower Notes and the corresponding redemption of the Bonds at the earliest possible redemption date, provided that, until used for such purpose, moneys on deposit in such escrow account may be invested as provided in Section 9.6 hereof, but may not be invested to produce a yield on such moneys (computed from the date the Project was completed and taking into account any investment of moneys during the period from the date the Project was Completed until such moneys were deposited in such escrow account) greater than the yield on the Bonds, all as such terms are used in and determined in accordance with Section 148(a) of the Code and the Regulations.

(b) No Person not a party hereto shall have any rights to the money or other funds or assets from time to time in the Construction Fund or the escrow accounts referred to in this Section 9.4 or Section 4.02 of the Bond Issuance Agreement.

Section 9.5. Disbursements. Except for Bond proceeds used to pay interest on the Bonds (for which no disbursement request shall be required), Bond proceeds shall be disbursed by the Bondholder to the Fiscal Agent, for deposit in the Construction Fund upon written request, substantially in the form of **Exhibit C** hereto, signed by the Borrower and approved by the Bondholder. Except to the extent that the disbursement pertains to costs of issuance of the Bonds, amounts disbursed from the Construction Fund shall be disbursed to the escrow agent under the Construction Escrow Agreement for further disbursement as provided therein. The Bondholder's disbursement of funds to the Fiscal Agent for deposit in the Construction Fund, shall be subject to the satisfaction of the conditions set forth in Articles X and XI hereof.

Immediately following a disbursement, the Borrower covenants that written notice of the amount and date of the disbursement shall be provided to the Issuer. Such notice may be provided by an email sent to such address as the Issuer may have designated to be used for such purposes in a prior notice to the Borrower.

Section 9.6. Investment of Moneys. (a) Any moneys held as part of the Construction Fund, or the escrow accounts specified in Section 9.4 hereof, or as part of any other Fund or Account in the possession or control of the Fiscal Agent, while acting as such under the Bond Issuance Agreement, and any other moneys subject to the requirements of Section 148(a) of the Code, including any moneys that at any time shall constitute "gross proceeds" of the Bonds within the meaning of the Regulations, may be invested, to the extent permitted by law, only in Eligible Investments.

(b) All such investments of moneys held by the Fiscal Agent as a part of the Construction Fund or the escrow accounts specified in Section 9.4 hereof or any other Fund or Account shall be made by the Fiscal Agent at the direction of the Borrower (which direction shall be either in writing or given orally and confirmed in writing). The approval of the Issuer shall not be required prior to the making of any such investment, but the Issuer reserves the right (which right is subject to assignment as set forth in Section 4.2 hereof) to disapprove in its reasonable discretion any investments or proposed investments of which it has notice. If no direction is given by the Borrower, the Issuer may direct (which right is subject to assignment as set forth in Section 4.2 hereof) the Fiscal Agent to invest in any of the Eligible Investments, and, if no direction

is given, the Fiscal Agent or any affiliate thereof may invest in no-load, open-end money market mutual funds (including those of the Fiscal Agent and its affiliates) registered under the Investment Company Act of 1940, provided that the portfolios of such funds are limited to Government Obligations and each such fund has been assigned a rating by each Rating Agency of “AAA” or “Aaa,” as applicable.

(c) The Fiscal Agent may make any and all such investments through its own investment department or that of an affiliate. The investments so purchased shall be held by the Fiscal Agent and shall be deemed at all times a part of the Fund, Account or Subaccount for which the investment was made, and the interest accruing thereon and any profit realized therefrom shall be credited to such Fund, Account or Subaccount, as the case may be, and any net losses resulting from such investment shall be charged to such Fund, Account or Subaccount, as the case may be. The Fiscal Agent shall be entitled to rely conclusively on all written investment instructions provided by the Borrower pursuant to this Section 9.6, and the Fiscal Agent shall have no responsibility or liability for any depreciation in the value of any investment or for any loss, direct or indirect, resulting from any investment made in accordance with such direction and written confirmation from the Borrower specified in this Section 9.6.

(d) Notwithstanding the foregoing, moneys advanced by the Bondholder and deposited in the Construction Fund shall be immediately disbursed to the title company under the Construction Escrow Agreement for deposit in the Construction Escrow thereunder, and shall not be invested by the Fiscal Agent.

Section 9.7. Arbitrage Covenant. The Borrower covenants with the Bondholder and the Issuer that, as long as any of the payment obligations hereunder remain unpaid, moneys on deposit in any Fund, Account or Subaccount in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, will not be used or invested at the Borrower’s direction in a manner that will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148(a) of the Code and the Regulations.

The parties hereto acknowledge that, pursuant to Section 4.02(e) of the Bond Issuance Agreement, the Bondholder may make an advance of Bond proceeds directly into the Construction Escrow under the Construction Escrow Agreement; if it does so all provisions and conditions to disbursement of, and in this Agreement relating to, the Construction Fund shall apply as if the advance were deposited into the Construction Fund.

ARTICLE X

CONDITIONS TO APPROVAL OF INITIAL DISBURSEMENTS

All disbursements of Bond proceeds made by the Bondholder to the Fiscal Agent for deposit in the Construction Fund are subject to the Continuing Covenants Agreement and the prior written approval of the Bondholder as set forth in Articles X (with respect to initial disbursements) and XI (with respect to all disbursements) hereof.

All references herein to disbursements of the Loan shall also mean advances of Bond proceeds, and vice versa; i.e., an advance of Bond proceeds is a disbursement of the Loan made hereunder.

Bond proceeds will be disbursed by the Bondholder to the Fiscal Agent for deposit in the Construction Fund to pay Costs of the Project upon fulfillment of the conditions set forth in Section 2.11 of the Bond Issuance Agreement, and subject to the Continuing Covenants Agreement and the disbursement requirements of this Article and Article XI hereof.

The Bondholder's approval of the initial disbursement of proceeds of the Loan is subject to the satisfaction of all of the following conditions and delivery of the following documents in form and content acceptable to the Bondholder:

Section 10.1. Documents. All of the documents required to be delivered to the Bondholder or the Fiscal Agent pursuant to this Agreement and the Bond Issuance Agreement shall have been duly authorized, executed and delivered to the Bondholder and the Fiscal Agent, respectively, including, without limitation, the Borrower Notes, the Bonds, the Borrower Collateral Documents and such other agreements or documents as may be required by the Bondholder in its discretion, including, without limitation, such intercreditor, subordination or other agreements between and among the Bondholder and third parties making loans to the Borrower secured by mortgages of the Borrower's estate in the related Premises.

Section 10.2. Title Policy. An ALTA standard form or equivalent construction loan policy of title insurance (the "**Title Policy**") issued by Title Services Midwest, LLC (the "**Title Company**"), insuring the lien of the Mortgage with respect to the Premises to be a first priority lien against the Borrower's estate in the Premises, subject only to those exceptions as are set forth in the Title Policy and any other exceptions as the Bondholder shall consent to in writing ("**Permitted Exceptions**"), containing extended coverage over the standard exceptions, including, without limitation, the exceptions for mechanics' lien claims and for matters of survey, and containing a lender's comprehensive endorsement, modified 3.1 zoning endorsement (with parking), mezzanine financing endorsement, location endorsement, survey endorsement, usury endorsement, access, environmental lien endorsement, pending disbursement endorsement and such other special endorsements as the Bondholder may reasonably require, together with copies of recorded documents affecting title to the related Premises.

Section 10.3. Survey. A current survey of the Premises prepared by a surveyor licensed in the State of Illinois in accordance with the current minimum detail requirements of the American Land Title Association and showing the boundaries of the Premises, the location of all improvements thereon, the area of the Premises in square feet, set-back lines, encroachments, easements, rights of way and any other matters of interest to the Bondholder. The survey shall be in such form as is acceptable to the Bondholder and the Title Company, be certified to the Bondholder and the Title Company, and contain a legal description of the Premises. The survey shall also certify that the Premises are situated in an area designated Zone C ("area of minimal flooding") according to the applicable Federal Emergency Management Agency Flood Insurance Rate Maps.

Section 10.4. Documents of Organization/Authority. A true, correct and complete copy of the fully executed Limited Partnership Agreement (including all amendments) of the Borrower, and the organizational documents of the General Partner and Guarantor, together with such additional documentation as the Bondholder deems necessary to evidence the due organization,

good standing and authority of the Borrower, the General Partner, and the Guarantor, the form and content of which shall be satisfactory to the Bondholder in its discretion.

Section 10.5. Opinions of Counsel. Opinions of Bond Counsel, Issuer's counsel and Borrower's counsel, addressing such matters as the Bondholder may request.

Section 10.6. Bondholder's Fees. All fees and expenses of the Bondholder and the Fiscal Agent (if any) in connection with the purchase of the Bonds and the assignment of this Loan Agreement and the Borrower Notes shall have been paid.

Section 10.7. Searches. Uniform Commercial Code, judgment and federal tax lien searches of the filing offices of the Illinois Secretary of State and Cook County showing all financing statements, tax liens or judgments entered or filed against Borrower, the General Partner, the Guarantor, the Developer or the Premises, and dated no later than thirty (30) days prior to the date of issuance of the Bonds.

Section 10.8. Development Cost Budget. The Development Cost Budget setting forth all costs associated with the completion of the Project and the Project construction schedule shall be approved by the Bondholder in writing, as and to the extent provided in Section 7.10 hereof. Once approved by the Bondholder, any subsequent amendments to the approved Development Cost Budget shall require the further prior written approval of the Bondholder, as and to the extent provided in Section 7.10 hereof.

Section 10.9. Architect's Contract. A copy of the fully executed contract with the Borrower's architect for the Project, in form and content acceptable to the Bondholder, and the collateral assignment of the architect's contract to the Bondholder with such assignment acknowledged and consented to by the architect. In addition, Borrower shall deliver a certification of the Borrower's architect that (a) the Plans and Specifications comply with all applicable laws and ordinances; (b) that the Plans and Specifications are complete in all respects and contain all details requisite for construction of the Project, which, when built in accordance therewith, shall be ready for use and occupancy for its intended purpose in compliance with all applicable laws; and (c) that the Plans and Specifications were prepared in a manner consistent with accepted architectural practice.

Section 10.10. Plans and Specifications. Plans and Specifications, as approved by the Bondholder, and with evidence of appropriate governmental approvals thereof.

Section 10.11. Operating Documents. Certified copies of all permits, licenses, consents, authorizations, agreements and governmental approvals necessary for the construction of the Project.

Section 10.12. Construction Contract. A general lump sum, firm price or maximum price construction contract between the Borrower and the General Contractor for construction of the Project in accordance with the Plans and Specifications, and the collateral assignment of the construction contract to the Bondholder with such assignment acknowledged and consented to by the General Contractor, and the most recent annual audited financial statements and interim unaudited financial statements of the General Contractor.

Section 10.13. Sworn Statements. True, correct and complete copies of the sworn statements of the Borrower and of the Borrower's general contractor, executed and acknowledged and in form and content acceptable to the Bondholder.

Section 10.14. Appraisal; Loan to Value. An appraisal of the Project prepared by a licensed appraiser retained by the Bondholder indicating a fair market value of the Project upon stabilization acceptable to the Bondholder in its discretion.

Section 10.15. Additional Funding Sources. The Bondholder shall have approved the form and content of all documentation evidencing or securing the loans from the Additional Funding Sources with respect to the Project, and the Bondholder shall receive evidence satisfactory to the Bondholder in its sole and absolute discretion that the conditions to initial disbursement of each of the loans from each of the Additional Funding Sources have been satisfied or waived, and such loans are available for disbursement to fund Costs of the Project with respect to the Project, and that no failure of condition or default, or event or circumstance that with notice or the passage of time, or both, would constitute a default, under any ordinance, resolution or agreement relating to any such loan from an Additional Funding Source exists. The Bondholder and the Additional Funding Sources shall also have agreed in the related Construction Escrow Agreement or otherwise in writing regarding the lien priority and, to the extent contemporaneously funded, the ratio in which the proceeds of the Loan and the Additional Funding Sources are to be disbursed to finance Costs of the Project (such agreed to priority or ratio being referred to herein as the "**Funding Order**").

Section 10.16. Environmental Review. The Bondholder shall have received and approved copies of the Phase I environmental site assessment and other reports with respect to the environmental conditions of the Premises. If requested by the Bondholder, the Borrower shall deliver a letter from the environmental consultant indicating that the Bondholder is entitled to rely on the Phase I environmental site assessments to the same extent as if the environmental site assessments were addressed to the Bondholder.

Section 10.17. Bonds. Performance and payment bonds with respect to the Project from the Borrower's general contractor and/or its subcontractors with an aggregate penal sum equal to the full amount of the construction contract written on applicable AIA or HUD forms, or other forms satisfactory to the Bondholder, and underwritten by a surety satisfactory to the Bondholder, naming the Bondholder as co-obligee.

Section 10.18. Equity Requirements. The Bondholder shall have determined, in the exercise of its reasonable discretion, that the aggregate of (a) the principal amount of the Loan, plus (b) the amount of all equity contributed by the Borrower, plus (c) all funds unconditionally committed by Additional Funding Sources are sufficient to (i) fully Complete the Buildings and related ancillary improvements in the Project and (ii) pay all Costs of the Project identified in the Development Cost Budget, together with other sums due under the Borrower Documents. The amount of equity to be deposited simultaneously with the initial disbursement of the Loan on the Closing Date shall be not less than \$2,000,000.

Section 10.19. Insurance. Evidence of general liability and builder's risk insurance coverage related to the Project satisfactory to the Bondholder.

Section 10.20. Financial Statements. The most recent annual audited financial statements and interim unaudited financial statements of the Guarantor.

Section 10.21. Reserved

Section 10.22. Report of Bondholder's Inspecting Architect. The Bondholder shall have received a written report of its inspecting architect subsequent to review by the inspecting architect, including, without limitation, of the Plans and Specifications, the construction contract between the Borrower and general contractor, and the construction schedule for the Project.

Section 10.23 Approval of Members/Material Adverse Financial Change. Each member of the Borrower shall be acceptable to the Bondholder and there shall not have occurred any material adverse change in the financial condition of the Borrower, the General Partner, the Limited Partner, the Developer or the Guarantor.

Section 10.24. No Material Litigation. No material litigation shall be pending or threatened against the Borrower, the General Partner, the Developer or the Guarantor.

Section 10.25 Additional Documents. Such other documents as listed in Bondholder's closing checklist.

ARTICLE XI

CONDITIONS PRECEDENT TO ALL DISBURSEMENTS

Unless otherwise approved by the Bondholder, advances of Bond proceeds (i.e., disbursements of the Loan) by the Bondholder to the Fiscal Agent for deposit in the Construction Fund shall be immediately transferred to the Title Company for deposit into the Construction Escrow established pursuant to the Construction Escrow Agreement. Subject to the introductory language of Article X hereof, the Bondholder's approval of each request of the Borrower for disbursement of Bond proceeds by the Bondholder to the Fiscal Agent for deposit in the Construction Fund shall be subject to satisfaction of the following conditions:

Section 11.1. No Default. No Default or Event of Default, or event which with the giving of notice or lapse of time or both would constitute a Default or Event of Default shall exist hereunder or under the Bond Issuance Agreement, and the representations and warranties contained in Article VI hereof shall be true and accurate in all material respects as of the date of each disbursement request.

Section 11.2. Draw Request Documents. The Bondholder or, at the Bondholder's direction, the Title Company shall have received and approved the following documents in form acceptable to the Bondholder with each request for a disbursement of a Loan:

(a) a Disbursement Request from the Borrower requesting the disbursement, containing any special funding instructions and requesting any necessary changes in the Plans and Specifications, Development Cost Budget or construction schedule;

(b) a current Borrower's sworn statement completed and certified showing items of the budgeted Costs of the Project, with amounts previously paid and amounts requested for disbursement;

(c) an "Application for Payment and General Contractor's Sworn Statement" form completed and certified and sworn to by the General Contractor and by the Architect and a certification by the Architect that the work for which payment is requested has been done in substantial compliance with the Plans and Specifications;

(d) partial lien waivers or releases of lien from the Borrower's General Contractor for the full amount of the requested disbursement, and partial lien waivers or releases of lien from all material suppliers and subcontractors showing, in the case of all draw requests other than the final draw request, full payment through the preceding draw request, and, in the case of the final draw request, for the full amount of the requested disbursement, or copies of such waivers or releases if the originals are delivered to the Title Company in order to obtain the endorsement hereinafter required;

(e) copies of invoices for all reimbursable soft costs;

(f) a Title Company date down and pending disbursement endorsements updating the Bondholder's Title Policy through the date of the immediately preceding disbursement;

(g) copies of invoices to support the full amount of non-construction cost items contained in the requested disbursement;

(h) copies of any proposed or executed change orders on standard AIA G701 form, which have not been previously furnished to Issuer and Bondholder;

(i) a report from the Bondholder's inspecting architect that contains an analysis satisfactory to Bondholder demonstrating the adequacy of the Budget to complete the Project, an analysis as to whether the work is proceeding in accordance with the construction schedule and the Plans and Specifications, and a certification as to amounts of construction costs for the applicable requested funding;

(j) if requested by Bondholder, an updated construction schedule;

(k) copies of all construction contracts (including subcontracts) which have been executed since the last disbursement, together with any payment and performance bonds obtained or required to be obtained with respect thereto;

(l) all permits then needed in connection with the Project and not previously delivered to Bondholder;

(m) such other documentation as may be reasonably requested by the Bondholder.

Section 11.3. Stored Materials and FF&E Not Yet Incorporated

No disbursement shall be made for materials or furniture fixtures and equipment ("FF&E") not yet incorporated into the Improvements (whether stored on-site or off-site) except as provided for herein. Subject to Bondholder's prior acceptance of a schedule of materials and FF&E for which disbursements will be sought prior to incorporation into the Improvements, Borrower shall be entitled to receive such disbursements so long as: (i) the amount to be advanced on account thereof does not include the cost of incorporating such materials into the work; (ii) the materials or FF&E are safely and suitably stored on-site (or off-site, as applicable) and insured for the full value thereof against theft, destruction or other casualty under insurance policies designating Bondholder as loss payee and additional insured as evidenced by insurance binders or endorsements satisfactory to Bondholder; (iii) immediately upon disbursement of the Loan Advance thereof, Borrower will have absolute title to the stored materials or FF&E as evidenced by appropriate bills of sale and payment receipts; (iv) to the extent required by Bondholder, the Construction Consultant shall have verified that the materials or FF&E to be so paid for comply with the Plans and Specifications and are of suitable quality for ultimate incorporation into the Improvements and are free from any apparent defect (with Borrower agreeing to pay for all reasonable travel expenses of the Construction Consultant to view and inspect any such materials or FF&E stored off-site), and the stored materials can be incorporated into the Project within forty-five (45) days after receipt of such FF&E; (v) all such off-site materials and components shall be physically segregated from the other assets of the vendor or placed in a bonded warehouse or similarly secured facility, (vi) Bondholder shall have a perfected security interest in the stored materials and Borrower shall provide evidence of the same to Bondholder (such as a filed UCC-1 Financing Statement), and (vii) all other conditions precedent to disbursements as set forth in this Agreement are satisfied. In addition, with respect to off-site materials, Borrower shall cause any warehouseman (as defined in Section 7-102 of the Uniform Commercial Code) that possesses, holds or controls the stored materials to execute a non-negotiable warehouse receipt covering such stored materials in form sufficient to enable Bondholder to have perfected security interest therein.

Notwithstanding the foregoing, in no event shall disbursements for stored materials or FF&E (whether on-site or off-site) exceed an aggregate of One Million Two Hundred Thousand and 00/100ths Dollars (\$1,200,000.00)] (or such greater amount as is acceptable to Bondholder); provided, however, that upon incorporation into the Improvements of any stored materials or FF&E paid for with a disbursement of Bond proceeds, such disbursement shall no longer constitute utilization of such One Million Two Hundred Thousand and 00/100ths Dollars (\$1,200,000.00] limit (or such greater amount as is acceptable to Bondholder).

Section 11.4. Title Endorsements. The Bondholder shall have received a telephonic commitment from the Title Company to issue an endorsement to the Title Policy extending coverage to include the date and the amount of the requested disbursement, without exception for mechanics' liens or claims of liens, or any other matter not previously approved by the Bondholder in writing, and the Bondholder shall have received and approved a written endorsement to its Title Policy covering the immediately previous disbursement.

Section 11.5. Retainage; General Contractor Overhead and Profit. Each disbursement (other than for materials-only subcontracts) relating to the Project shall be subject to a holdback (the "**Retainage**") equal to ten percent (10%) of all amounts due the Borrower's general contractor

and each subcontractor until the Project is 90% complete and five percent (5%) thereafter (subject to approval by Borrower, Bondholder and the Subordinate Lenders), which will be released upon completion of the Project, and upon satisfaction of the conditions for the final disbursement as set forth in Section 11.12 below.

The General Contractor shall be paid its overhead and profit based on a percentage of construction completion, except that reimbursements for bond and insurance payments may be paid as incurred.

Section 11.6. Mechanics' Liens and Litigation. There shall be no mechanic's lien claim, litigation or proceeding pending or, to the best of Borrower's knowledge, threatened against or affecting the Premises, unless the same are being contested in accordance with Section 7.14 hereof, or any pending litigation which would in any manner materially adversely affect the Premises or the priority or enforceability of the Bonds, the related Borrower Note, the Mortgage or the other Borrower Collateral Documents or the ability of the Borrower to complete the preservation and substantial rehabilitation of the Project.

Section 11.7. No Default under Construction Contract or Agreements with Additional Funding Sources. There shall exist no material default, and there shall exist no event or circumstance that with notice or the passage of time or both would constitute a material default, under (a) the Borrower's construction contract with the general contractor, or (b) any note, agreement or other document executed in connection with any Additional Funding Source.

Section 11.8. No Default under Limited Partnership Agreement. There shall exist no material default under the Limited Partnership Agreement, and no event or circumstance shall exist that with notice or the passage of time, or both, would give rise to a material default under the Limited Partnership Agreement.

Section 11.9. Additional Funding Sources to Pay Bonds. Any deposit of Additional Funding Sources, in each case, to the extent the same are to be used to pay principal of and interest on the Bonds in accordance with the terms of the Borrower Documents, the Limited Partnership Agreement and the Subordinate Loan Agreement(s), shall have been made. The first equity payment will be required at loan closing in the approximate amount of \$2,630,000.

Section 11.10. Funding Priorities. The related Additional Funding Sources shall have agreed to fund proceeds of their respective grants or loans in accordance with the construction funding priorities established pursuant to **Exhibit F** attached hereto.

Section 11.11. Disbursement Immediately Following Initial Disbursement on Closing Date. With respect to the disbursement immediately following the initial advance of Bond proceeds made on the Closing Date, no such disbursement shall be made unless at least 10% of the aggregate equity contributions to be made by the Limited Partner under the Limited Partnership Agreement and all Additional Funding Sources required to be under the Funding Schedule and Construction Escrow Agreement by that time shall have been funded.

Section 11.12. Final Construction Disbursement. The final disbursement and release of Retainage, if applicable, shall be subject to the Bondholder's receipt and approval of the following:

(a) certifications that the preservation and substantial rehabilitation of the Project has been completed lien free in substantial compliance with the Plans and Specifications, as well as all applicable laws and ordinances, from the Borrower, the Borrower's architect and the Bondholder's inspecting architect;

(b) final lien waivers and affidavits from the Borrower's general contractor and any other contractors required by the Title Company to issue its final endorsement to the Bondholder's Title Policy insuring over mechanics' and materialmen's liens;

(c) approval of any surety company issuing performance and payment bonds with respect to the Project;

(d) a final and comprehensive endorsement to the Title Policy for the Project with extended coverage;

(e) an as-built survey of the Premises and the Project, satisfying the survey standards and requirements set forth in Section 10.3; and

(f) a full-size set of as-built plans and specifications for the completed Project, or an electronic copy of the as-built plans and specifications for the completed Project.

Notwithstanding the foregoing, in no event shall the Bondholder be obligated to approve disbursement requests made subsequent to the Series 2023A Bonds Maturity Date.

ARTICLE XII EVENTS OF DEFAULT AND REMEDIES

Section 12.1. Events of Default. Each of the following shall constitute an "Event of Default" hereunder:

(a) default by the Borrower in the due and punctual payment of any amount required to be paid under the Borrower Notes, this Loan Agreement, the Bond Issuance Agreement, the Borrower Collateral Documents or the Bonds, whether by way of principal, interest, fees or otherwise; provided that such default shall not constitute an Event of Default hereunder if it is cured within five Business Days after becoming due;

(b) default in the performance or observance of any of the covenants contained in Sections 7.1, 7.6, 7.7 or 7.14.

(c) default in the performance or observance of any other covenant, agreement or condition (and not constituting an Event of Default under any of the other provisions of this Section 12.1), provided that such default shall not constitute an Event of Default hereunder if it is cured within 30 days after written notice thereof to the Borrower from the Issuer or the Bondholder as long as during such period the Borrower is using its best efforts to cure such default and such default can be cured within such period;

(d) any Event of Default (which Event of Default continues beyond all applicable notice and cure periods) under the Bond Issuance Agreement or any of the Borrower Documents shall occur;

(e) any representation or warranty made by the Borrower herein or in any of the Borrower Documents is false or misleading in any material respect when made, or any schedule, certificate, financial statement, report, notice or other writing furnished by the Borrower to the Issuer or the Bondholder is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified (or deemed stated or certified);

(f) the dissolution or liquidation of the Borrower, the General Partner, or, prior to the date that the Project is Complete, either the Developer or Guarantor (collectively the "Principal Parties," and individually the "Principal Party," as the context requires); the filing by any Principal Party of a voluntary petition in bankruptcy, whether under Title 11 of the United States Code or otherwise; the failure by any Principal Party promptly to lift any execution, garnishment or attachment of such consequence as will impair its ability to carry on its obligations hereunder; the entering of an order for relief under Title 11 of the United States Code, as amended from time to time, against such Principal Party unless such order is discharged or denied within 90 days after the filing thereof; if a petition or answer proposing the entry of an order for relief under Title 11 of the United States Code, as amended from time to time, is entered by or against such Principal Party, or if a petition or answer proposing the entry of an order for relief under Title 11 of the United States Code, as amended from time to time, or its reorganization, arrangement or debt readjustment under any present or future federal bankruptcy act or any similar federal or state law shall be filed by or against such Principal Party in any court, and such petition or answer shall not be discharged or denied within 90 days after the filing thereof; if a Principal Party shall fail generally to pay its debts as they become due; if a custodian (including a receiver, trustee or liquidator of a Principal Party) shall be appointed for or take possession of all or a substantial part of its property, and shall not be discharged within 90 days after such appointment or taking possession; if a Principal Party shall consent to or acquiesce in such appointment or taking of possession, or assignment by such Principal Party for the benefit of its creditors; the entry by a Principal Party into an agreement of composition with its creditors;

(g) default in the payment when due (subject to any applicable grace period), whether by acceleration or otherwise, of any other Indebtedness (in excess of \$100,000) of, or guaranteed by, the Borrower, or default in the performance or observance of any obligation or condition with respect to any such other Indebtedness if the effect of such default is to accelerate the maturity of any such Indebtedness or cause any of such Indebtedness to be prepaid, purchased or redeemed, or to permit the holder or holders thereof, or any trustee or agent for such holder or holders, to cause such Indebtedness to become due and payable, prior to its expressed maturity, or to cause such Indebtedness to be prepaid, purchased or redeemed;

(h) default in the payment when due, or in the performance or observance, of any material obligation of, or condition agreed to by, the Borrower with respect to any material purchase or lease of goods or services (except only to the extent that the Borrower is contesting the existence of any such default in good faith and by appropriate proceedings subject to applicable notice and cure provisions, if any); or

(i) there shall be entered against the Borrower one or more judgments or decrees in excess of \$100,000 in the aggregate at any one time outstanding for the Borrower, excluding those judgments or decrees (i) that shall have been stayed, vacated or bonded, (ii) for and to the extent to which the Borrower is insured and with respect to which the insurer specifically has assumed responsibility in writing, or (iii) for and to the extent to which the Borrower is otherwise indemnified if the terms of such indemnification are satisfactory to the Issuer and the Bondholder; or

(j) a material default or material event of default shall occur under any of the documents evidencing, securing or executed in connection with, any loan made by any Additional Funding Source with respect to the Project, including, without limitation, any promissory notes, mortgages or agreements containing covenants, conditions and restrictions, which default is not cured before the lapse of any applicable cure period; or

(k) a default or event of default shall occur under the Limited Partnership Agreement, the effect of which is to materially delay payment of a Limited Partner capital contribution, which delay will have a material adverse effect on the Project, which default is not cured before the lapse of any applicable cure period; or

(l) the occurrence of any of the following: (i) a discontinuance in the construction of the Project for a period of sixty (60) days, (ii) a delay in the construction so that the Project will likely not be Complete, in Bondholder's judgment, within the time provided in Section 7.11, and such is not cured by Borrower within thirty (30) days following written notice from Bondholder or (iii) Construction of the Project is not Complete within the time set forth in Section 7.11.

(m) the bankruptcy or insolvency of the General Contractor and failure of Borrower to procure a contract with a new contractor satisfactory to Bondholder within thirty (30) days from the occurrence of such bankruptcy or insolvency.

Notwithstanding anything to the contrary herein, the Bondholder hereby agrees that any cure of any default by the Borrower made or tendered by one or more of the Borrower's members or partners (including, without limitation, the Limited Partner) shall be deemed a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Section 12.2. Remedies on Default. If any one or more of the foregoing Events of Default shall occur, then the Bondholder (as assignee of the Issuer pursuant to the Bond Issuance Agreement) shall have the right, but not the obligation, and without notice, to exercise any one or more of the following rights and remedies, at any time and from time to time, singularly, successively or collectively, and in such order and when and as often as may from time to time be determined:

(a) The Bondholder may exercise any right, power or remedy permitted to it by law as a holder of the Borrower Notes, including the right to declare the entire principal of and all unpaid interest accrued on the Borrower Notes to be, and upon written notice to the Borrower (with a copy to the Issuer) of such declaration such Borrower Notes and the unpaid accrued interest

thereon shall become, due and payable, without presentment, demand or protest, all of which are hereby expressly waived. The Borrower shall forthwith pay to the Bondholder the entire principal of and interest accrued on the Borrower Notes. There shall be automatically waived, rescinded and annulled such declaration of acceleration of the Borrower Notes and the consequences thereof when any declaration of acceleration of the Bonds pursuant to Section 7.02 of the Bond Issuance Agreement has been waived, rescinded and annulled.

(b) The Bondholder may take whatever action at law or in equity that may appear necessary or desirable to collect the payments and other amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Loan Agreement or the other Borrower Collateral Documents.

(c) The Bondholder may direct the Fiscal Agent to withhold further disbursements of proceeds made available to the Borrower hereunder.

If the Bondholder shall have proceeded to enforce its rights under this Loan Agreement, the Borrower Notes, the Borrower Collateral Documents or the Security for the Bonds, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Bondholder, then and in every such case the Borrower, the Issuer and the Bondholder shall be restored, respectively, to their several positions and rights hereunder and thereunder, and all rights, remedies and powers of the Borrower, the Issuer and the Bondholder shall continue as though no such proceeding had been taken.

If there shall be pending proceedings for the bankruptcy or for the reorganization of the Borrower under the federal bankruptcy laws or any other applicable law, or in case a custodian, receiver or trustee shall have been appointed for any of the Property of the Borrower, or in the case of any other similar judicial proceedings relative to the Borrower, or to the creditors or Property of the Borrower, the Issuer and the Bondholder shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount owing and unpaid pursuant to the Borrower Notes and this Loan Agreement, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Issuer and the Bondholder allowed in such judicial proceedings relative to the Borrower, its creditors or its Property, and to collect and receive any moneys or other property payable or deliverable on such claims, and to distribute the same after the deduction of its charges and expenses; and any custodian, receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized to make such payments to the Issuer and the Bondholder, and to pay to the Issuer and the Bondholder any amount due it for compensation and expenses, including attorneys' and paralegals' fees, costs, disbursements and expenses incurred by it up to the date of such distribution.

Section 12.3. Right to Perform Covenants; Advances. Notwithstanding anything to the contrary contained herein, if the Borrower shall fail to make any payment or perform any act required to be made or performed by it hereunder, then and in each such case the Issuer or the Bondholder, upon not less than 15 days' prior written notice to the Borrower, may (but shall not be obligated to) remedy such failure for the account of the Borrower, and make advances for that purpose. If such failure involves, has caused or threatens to cause a condition that must, in the opinion of the Issuer or the Bondholder, be cured immediately, the Issuer or the Bondholder may

remedy such failure without prior notice to the Borrower. No such performance or advance shall operate to release the Borrower from any such default and any sums so advanced shall be repayable by the Borrower on demand, and shall bear interest at the Past Due Rate. The Issuer agrees that the Bondholder, in its name or in the name of the Issuer, may enforce all rights of the Issuer and all obligations of the Borrower under and pursuant to this Loan Agreement, and the Issuer will not enforce such rights and obligations itself except at the written direction of the Bondholder, in each case whether or not the Issuer is in Default under the Bond Issuance Agreement; provided, however, that the Issuer hereby reserves to itself the right to enforce all Issuer Reserved Rights.

Section 12.4. Costs and Expenses

(a) The Borrower agrees to pay on demand all of the reasonable out-of-pocket costs and expenses of the Issuer (including the reasonable fees and out-of-pocket expenses of the Issuer's counsel, Bond Counsel, the Bondholder's counsel and local counsel, if any, who may be retained by said counsel) in connection with the preparation, negotiation, execution, delivery and administration of this Loan Agreement, the Borrower Notes, the Continuing Covenants Agreement, the Borrower Collateral Documents or the Security for the Bonds and all other agreements, certificates, instruments or documents provided for herein or delivered or to be delivered hereunder or in connection herewith (including all amendments, supplements, modifications, restatements and waivers executed and delivered pursuant hereto or in connection herewith). The Borrower further agrees that the Issuer, in its sole discretion, may deduct all such unpaid amounts from the aggregate proceeds of the Borrower Notes.

(b) The costs, fees, disbursements and expenses that the Issuer incurs with respect to the following shall be part of the Liabilities, payable by the Borrower on demand if, at any time after the date of this Loan Agreement, the Issuer: (i) employs counsel for advice or other representation (A) with respect to the amendment or enforcement of this Loan Agreement, the Borrower Notes, the Continuing Covenants Agreement, the Borrower Collateral Documents or the Security for the Bonds, (B) to represent the Issuer in any work-out or any type of restructuring of the Borrower Notes or the Bonds, or any litigation, contest, dispute, suit or proceeding or to commence, defend or intervene or to take any other action in or with respect to any litigation, contest, dispute, suit or proceeding (whether instituted by the Issuer, the Bondholder, the Borrower or any other Person) in any way or respect relating to this Loan Agreement, the Borrower Notes, the Continuing Covenants Agreement, the Borrower Collateral Documents, the Security for the Bonds or the Borrower's affairs, or any collateral securing the Liabilities hereunder, or (C) to enforce any of the rights of the Issuer with respect to the Borrower; and/or (ii) seeks to enforce or enforces any of the rights and remedies of the Issuer with respect to the Borrower. Without limiting the generality of the foregoing, such expenses, costs, charges, disbursements and fees include: fees, costs, disbursements and expenses of attorneys, accountants and consultants; court costs and expenses; court reporter fees, costs and expenses; long distance telephone charges; and telegram and facsimile charges.

(c) The Borrower agrees to pay on demand, and to save and hold the Issuer harmless from all liability for, any stamp or other taxes that may be payable in connection with or related to the execution or delivery of this Loan Agreement, the Borrower Notes, the Continuing Covenants Agreement, the Borrower Collateral Documents, the Security for the Bonds, the Bonds

or of any other agreements, certificates, instruments or documents provided for herein or delivered or to be delivered hereunder or in connection herewith.

(d) All of the Borrower's obligations provided for in this Section 12.4 shall be Liabilities and shall survive repayment of the Bonds and the Borrower Notes, cancellation of the Bonds and the Borrower Notes, or any termination of this Loan Agreement or any related document.

Section 12.5. Exercise of Remedies. No remedy herein conferred upon or reserved to the Issuer or the Bondholder is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Loan Agreement, the Borrower Notes, the Continuing Covenants Agreement, the Borrower Collateral Documents, if any, or the Security for the Bonds, or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Bondholder to exercise any remedy reserved to it in this Article XII, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given the Issuer hereunder shall also extend to the Bondholder to the extent applicable, and the Bondholder shall be deemed a third-party beneficiary of all covenants and agreements herein contained.

Section 12.6. Default by Issuer; Limited Liability. Notwithstanding any provision or obligation to the contrary herein set forth, no provision of this Loan Agreement shall be construed so as to give rise to a pecuniary liability of the Issuer or a charge upon the general credit of the Issuer. The liability of the Issuer hereunder shall be limited to its interest in this Loan Agreement, the Borrower Notes, the Borrower Collateral Documents, if any, and the Security for the Bonds, and the Lien of any judgment shall be restricted thereto. In the performance of the agreements of the Issuer herein contained, any obligation it may incur for the payment of money shall not be a debt of the Issuer, and the Issuer shall not be liable on any obligation so incurred. The Issuer does not assume general liability for the repayment of the Bonds or for the costs, fees, penalties, taxes, interest, commissions, charges, insurance or any other payments recited herein, and the Issuer shall be obligated to pay the same only out of Revenues. The Issuer shall not be required to do any act whatsoever, or exercise any diligence whatsoever, to mitigate the damages to the Borrower if an Event of Default shall occur hereunder.

Section 12.7. Application of Funds. All funds received by the Bondholder are subject to the rights given or action taken under the provisions of Article VII of the Bond Issuance Agreement. Notwithstanding any other provision of this Loan Agreement or the Bond Issuance Agreement to the contrary, funds received by the Bondholder may be applied (a) as long as an Event of Default has not occurred and is not continuing, to the payments and other amounts, if any, then due under the Borrower Notes or, if all such payments and other amounts, if any, have been paid, the same may be applied as directed by the Borrower (subject to the restrictions of the Land Use Restriction Agreement and the Tax Certificate), and (b) if an Event of Default has occurred and is continuing, as directed and in such order as determined by the Bondholder.

ARTICLE XIII INDEMNIFICATION

Section 13.1. Indemnification of Issuer and Fiscal Agent

(a) Except as otherwise provided below and subject to Section 14.1 hereof, the Issuer and the Fiscal Agent, and each of their officers, agents, independent contractors, employees, successors and assigns, and, in the case of the Issuer, its elected and appointed officials, past, present or future (hereinafter the “**Indemnified Persons**”), shall not be liable to the Borrower for any reason. Unless caused by the gross negligence or intentional misconduct of an Indemnified Party, the Borrower shall defend, indemnify and hold the Indemnified Persons harmless from any loss, claim, damage, tax, penalty or expense (including, but not limited to, reasonable counsel fees, costs, expenses and disbursements), or liability (other than with respect to payment of the principal of or interest on the Borrower Notes) of any nature due to any and all suits, actions, legal or administrative proceedings, or claims arising or resulting from, or in any way connected with: (i) the financing, installation, operation, use or maintenance of the Project; (ii) any act, failure to act, or misrepresentation by the Borrower or any member of the Borrower, or any Person acting on behalf of, or at the direction of, the Borrower or any member of the Borrower, in connection with the issuance, sale or delivery of the Bonds; (iii) any false or misleading representation made by the Borrower in the Borrower Documents; (iv) the breach by the Borrower of any covenant contained in the Borrower Documents, or the failure of the Borrower to fulfill any such covenant which is not cured within all applicable notice and cure periods; (v) enforcing any obligation or liability of the Borrower under this Loan Agreement, the Borrower Notes, the Continuing Covenants Agreement, the Borrower Collateral Documents, the Security for the Bonds or the Borrower Documents, or any related agreement; (vi) taking any action requested by the Borrower; (vii) taking any action reasonably required by the Borrower Documents; or (viii) taking any action considered necessary by the Issuer or the Fiscal Agent, and which is authorized by the Borrower Documents. If any suit, action or proceeding is brought against any Indemnified Person, the interests of the Indemnified Person in that suit, action or proceeding shall be defended by counsel to the Indemnified Person or the Borrower, as the Indemnified Person shall determine. If such defense is by counsel to the Indemnified Person, the Borrower shall indemnify and hold harmless the Indemnified Person for the cost of that defense, including counsel fees, disbursements, costs and expenses. If the Indemnified Persons affected by such suit determine that the Borrower shall defend the Indemnified Persons, the Borrower shall immediately assume the defense at its own cost. Neither the Indemnified Persons nor the Borrower shall be liable for any settlement of any proceeding made without each of their consent. In no event shall the Borrower be liable to an Indemnified Person for its own willful misconduct or gross negligence.

(b) Any provision of this Loan Agreement or any other instrument or document executed and delivered in connection therewith to the contrary notwithstanding, the Issuer retains the right to enforce: (i) any applicable federal or state law or regulation or resolution of the Issuer; and (ii) any rights accorded the Issuer by federal or state law or regulation or resolution of the Issuer, and nothing in this Loan Agreement shall be construed as an express or implied waiver thereof.

(c) If the Indemnified Persons are requested by the Borrower to take any action under this Loan Agreement or any other instrument executed in connection herewith for the benefit

of the Borrower, they will do so if and only if: (i) the Indemnified Persons are a necessary party to any such action; (ii) the Indemnified Persons have received specific written direction from the Borrower, as required hereunder or under any other instrument executed in connection herewith, as to the action to be taken by the Indemnified Persons; and (iii) a written agreement of indemnification and payment of costs, liabilities and expenses satisfactory to the Indemnified Persons has been executed by the Borrower prior to the taking of any such action by the Indemnified Persons.

(d) The obligations of the Borrower under this Section 13.1 shall survive any assignment or termination of this Loan Agreement and, as to the Fiscal Agent, any resignation or removal of the Fiscal Agent.

Indemnification of the Issuer by the Borrower with respect to environmental matters shall be governed exclusively by the terms and provisions of the Environmental Indemnity Agreement.

ARTICLE XIV MISCELLANEOUS

Section 14.1. [Intentionally Omitted]

Section 14.2. Severability. If any provision of this Loan Agreement shall be held or deemed to be, or shall, in fact, be, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Loan Agreement shall not affect the remaining portions of this Loan Agreement, or any part thereof; provided, however, that no holding of invalidity shall require the Issuer to make any payment from any moneys other than Revenues.

Section 14.3. Notices. Any notice, request, complaint, demand, communication or other paper shall be in writing and shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, return-receipt requested, or overnight courier service, addressed as follows:

If to the Issuer:

City of Chicago
Department of Housing
121 N. LaSalle Street, 10th Floor
Chicago, Illinois 60602
Attention: Commissioner, Department of Housing

With a copy to:	City of Chicago Office of the Corporation Counsel 121 N. LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division
With a copy to:	City of Chicago Department of Finance 121 N. LaSalle Street, 7 th Floor Attention: Chief Financial Officer
If to the Borrower:	Churchview Supportive Living Preservation, LP 2601 W. 63 rd Street Chicago, IL 60629 Attention: Executive Director
With a copy to:	Applegate & Thorne-Thomsen 425 S. Financial Place, Suite 1900 Chicago, Illinois Attention: Nicholas Brunick
And:	
If the Fiscal Agent:	Zions Bancorporation, National Association
If to the Bondholder:	At the address shown in the books of the Bond Registrar
With copies to:	Polsinelli PC 201 E. Las Olas Blvd., Ste. 2250B Fort Lauderdale, Florida 33301 Attention: S. Shawn Whitney

A duplicate copy of each notice required to be given hereunder by the Bondholder or the Fiscal Agent to the Issuer or the Borrower shall also be given to the others. The Issuer, the Borrower, the Fiscal Agent and the Bondholder may designate any further or different addresses to which subsequent notices, requests, complaints, demands, communications and other papers shall be sent.

Section 14.4. Assignments. Except as otherwise expressly provided herein, this Loan Agreement may not be assigned by any party without the consent of the other and the Bondholder, except that the Issuer shall assign to the Bondholder certain of its rights under this Loan Agreement as provided by Section 4.2 hereof, and the Bondholder may assign such rights to its successors and assigns as owner of the Bonds.

Section 14.5. Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; provided, however, that for purposes of perfecting a security interest in this Loan Agreement under Article 9 of the Illinois Uniform Commercial Code, only the counterpart delivered, pledged and assigned to the Bondholder shall be deemed the original.

Section 14.6. Amounts Remaining in the Bond Issuance Agreement Funds. It is agreed by the parties hereto that after payment in full of: (a) the principal of and interest on the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Bond Issuance Agreement); (b) the fees, charges, disbursements, costs and expenses of the Bondholder and the Fiscal Agent in accordance with the Bond Issuance Agreement; and (c) all other amounts required to be paid under this Loan Agreement, the Borrower Notes, the Continuing Covenants Agreement and the Bond Issuance Agreement, then any amounts remaining in any of the Funds or Accounts created under the Bond Issuance Agreement shall be paid by the Fiscal Agent as follows: (i) first, to the Issuer to the extent of any moneys owed by the Borrower to the Issuer pursuant to the Bond Documents, and (ii) second, to the Borrower.

Section 14.7. Amendments, Changes and Modifications. Subsequent to the initial issuance of the Bonds and prior to their payment in full (or provision for payment thereof having been made in accordance with the provisions of the Bond Issuance Agreement), this Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Bondholder and, with respect to the Issuer Reserved Rights, the Issuer.

Section 14.8. Governing Law; Jury Trial. This Loan Agreement and the Borrower Notes, and the rights and obligations of the parties hereunder and thereunder, shall be construed in accordance with, and shall be governed by, the laws of the State of Illinois, without regard to its conflict of laws principles.

THE BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING (I) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS LOAN AGREEMENT OR THE BORROWER NOTES, OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED, OR WHICH MAY IN THE FUTURE BE DELIVERED, IN CONNECTION HERewith OR THEREWITH, OR (II) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS LOAN AGREEMENT OR THE BORROWER NOTES, OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

THE BORROWER IRREVOCABLY AGREES THAT, SUBJECT TO THE ISSUER'S SOLE AND ABSOLUTE ELECTION, ANY ACTION OR PROCEEDING IN ANY WAY, MANNER OR RESPECT ARISING OUT OF THIS LOAN AGREEMENT, THE BORROWER NOTES, THE CONTINUING COVENANTS AGREEMENT, THE BORROWER COLLATERAL DOCUMENTS AND THE SECURITY FOR THE BONDS, OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith

OR THEREWITH, OR ARISING FROM ANY DISPUTE OR CONTROVERSY ARISING IN CONNECTION WITH OR RELATED TO THIS LOAN AGREEMENT, THE BORROWER NOTES, THE CONTINUING COVENANTS AGREEMENT, THE BORROWER COLLATERAL DOCUMENTS AND THE SECURITY FOR THE BONDS, OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, SHALL BE LITIGATED ONLY IN THE COURTS HAVING SITUS WITHIN THE CITY OF CHICAGO, STATE OF ILLINOIS, AND THE BORROWER HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN SUCH CITY AND STATE. THE BORROWER HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST IT IN ACCORDANCE WITH THIS SECTION.

Section 14.9. Term of Loan Agreement. This Loan Agreement shall be in full force and effect from the date hereof, and shall continue in effect until the indefeasible payment in full of all Liabilities. All representations, certifications and covenants by the Borrower as to the indemnification of various parties (including, without limitation, the Issuer and the Issuer Indemnified Persons) and the payment of fees and expenses of the Issuer as described herein, and all matters affecting the tax-exempt status of the Bonds shall survive the termination of this Loan Agreement and the payment in full of the Borrower Notes and the Bonds.

Section 14.10. Bond Issuance Agreement Provisions. The Bond Issuance Agreement provisions concerning the Bonds and the other matters therein are an integral part of the terms and conditions of the Loan made by the Issuer to the Borrower pursuant to this Loan Agreement, and the execution of this Loan Agreement shall constitute conclusive evidence of approval of the Bond Issuance Agreement by the Borrower to the extent it relates to the Borrower and the Project. Additionally, the Borrower agrees that, whenever the Bond Issuance Agreement by its terms imposes a duty or obligation upon the Borrower, such duty or obligation shall be binding upon the Borrower to the same extent as if the Borrower were an express party to the Bond Issuance Agreement, and the Borrower hereby agrees to carry out and perform all of its obligations under the Bond Issuance Agreement as fully as if the Borrower were a party to the Bond Issuance Agreement.

Section 14.11. Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer and the Borrower, and their respective successors and assigns; subject, however, to the limitations contained in Section 4.2 hereof.

Section 14.12. Immunity of Issuer's Officers. No recourse shall be had for the payment of any principal of or interest on the Bonds, or for any obligation, covenant or agreement contained in this Loan Agreement, against any past, present or future officer, member, supervisor, director, agent or employee of the Issuer, or any successor entity, as such, either directly or through the Issuer or any such successor entity, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, member, supervisor, director, agent or employee as such is hereby expressly waived and released as a condition of, and in consideration for, the execution and delivery of this Loan Agreement.

Section 14.13. Participations

(a) The Borrower acknowledges that the Bondholder shall have the right to grant participations in the Bonds and the Borrower Notes, pursuant to the Bond Issuance Agreement, all without notice to or consent from the Borrower. No holder of a participation in the Bonds or the Borrower Notes shall have any rights under this Loan Agreement.

(b) The Borrower hereby consents to the disclosure of any information obtained in connection herewith by the Issuer to any Person that is a participant or potential participant pursuant to clause (a) above, it being understood that the Issuer and its assigns shall advise any such Person of its obligation to keep confidential any nonpublic information disclosed to it pursuant to this Section 14.13. The Issuer shall advise the Borrower of each Person that becomes a participant pursuant to clause (a) above.

Section 14.14. Waivers. If any agreement contained in this Loan Agreement should be breached by the Borrower and thereafter waived in writing by the Issuer or the Bondholder, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. For any waiver hereunder to be effective, such shall be in writing and signed by an authorized representative of the party granting the waiver.

Section 14.15. Patriot Act Notification

(a) As of the date of this Loan Agreement the Borrower is, and during the term of this Loan Agreement the Borrower shall remain, in full compliance with all the applicable laws and regulations of the United States of America that prohibit, regulate or restrict financial transactions, including, but not limited to, conducting any activity or failing to conduct any activity, if such action or inaction constitutes a money laundering crime, including any money laundering crime prohibited under the Money Laundering Control Act, 18 U. S. C. 1956, 1957, or the Bank Secrecy Act, 31 U. S. C. 5311 et seq. and any amendments or successors thereto and any applicable regulations promulgated thereunder.

(b) The Borrower represents and warrants that: (a) neither it, nor any of its partners, or any officer, director or employee, is named as a “Specially Designated National and Blocked Person” as designated by the United States Department of the Treasury’s Office of Foreign Assets Control, or as a person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; (b) it is not owned or controlled, directly or indirectly, by the government of any country that is subject to a United States Embargo; and (c) it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by the United States Treasury Department as a “Specially Designated National and Blocked Person,” or for or on behalf of any person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and that it is not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity or nation.

(c) The Borrower acknowledges that it understands and has been advised by its own legal counsel as to the requirements of the applicable laws referred to above, including the

Money Laundering Control Act, 18 U. S. C. 1956, 1957, the Bank Secrecy Act, 31 U. S. C. 5311 et seq., the applicable regulations promulgated thereunder, and the Foreign Assets Control Regulations, 31 C. F. R. Section 500 et seq.

Section 14.16. Entire Agreement. This Loan Agreement, together with the Borrower Notes, the Continuing Covenants Agreement, the Borrower Collateral Documents, the Security for the Bonds, the Bonds and the Bond Issuance Agreement, constitutes the entire agreement among the parties with respect to the subject matter hereof, and supersedes all written or oral understandings with respect thereto.

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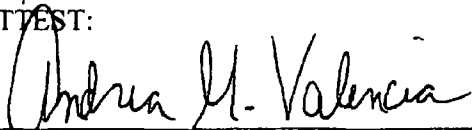
IN WITNESS WHEREOF, the parties have executed this Bond Loan Agreement as of the date first above written.

CITY OF CHICAGO

By: 
Jennie Huang Bennett
Chief Financial Officer


[SEAL]

ATTEST:


Andrea M. Valencia
City Clerk

[City Signature Page of Bond Loan Agreement]

**LEGACY BANK & TRUST COMPANY, a
Missouri chartered bank,
as Bondholder**

By: 
Name: Eric Leonard
Title: Executive Vice President

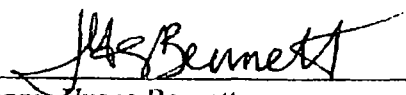
[LEGACY BANK SIGNATURE PAGE TO BOND LOAN AGREEMENT]

NON-RECOURSE ASSIGNMENT

With the exception of the Issuer Reserved Rights, the interest of the CITY OF CHICAGO in this Loan Agreement and all amounts receivable hereunder have been assigned, without recourse, to Legacy Bank & Trust Company, the registered owner of the Bonds. For purposes of Article 9 of the Illinois Uniform Commercial Code, the counterpart of this Loan Agreement pledged, delivered and assigned to the Bondholder shall be deemed the original.

CITY OF CHICAGO

By: _____



Jennie Huang Bennett
Chief Financial Officer

IN WITNESS HEREOF, Borrower has executed this Bond Loan Agreement as of the date first written above.

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, an Illinois limited partnership

By: CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LLC, an Illinois limited liability company, its General Partner

By: Greater Southwest Development Corporation, an Illinois not-for-profit corporation, as the sole member of the General Partner

By: 
Name: Adrian Soto
Title: Executive Director

[Borrower's Signature Page to Bond Loan Agreement]

EXHIBIT A-1
FORM OF SERIES 2023A BORROWER NOTE

\$7,000,000

March 2, 2023

CHICAGO, ILLINOIS

The undersigned, FOR VALUE RECEIVED, promise to pay to the order of the CITY OF CHICAGO (the "Issuer"), at the principal office of Zions Bancorporation, National Association in Chicago, Illinois, SEVEN MILLION DOLLARS (\$7,000,000) or, if less, the aggregate unpaid principal balance of the Series 2023A Loan (as defined in the hereinafter defined Loan Agreement) made by the Issuer to the undersigned pursuant to the Loan Agreement, due and payable on the Series 2023A Maturity Date (as defined in the hereinafter defined Bond Issuance Agreement) or at such earlier time as provided in the Loan Agreement.

The undersigned also promises to pay interest on the unpaid principal amount hereof from time to time outstanding from the date hereof until maturity (whether by acceleration or otherwise) and, after maturity, until paid, at the rates per annum and on the dates specified in the Loan Agreement. Principal of and interest under this Note and on the Series 2023A Bonds shall be payable at such times and in such amounts as shall be sufficient to pay the Issuer's Series 2023A Bonds issued under the Bond Issuance Agreement dated as of March 1, 2023 among the Issuer, Legacy Bank & Trust Company, a Missouri chartered bank, as Bondholder, and Zions Bancorporation, National Association, as Fiscal Agent (the "Bond Issuance Agreement").

Payments of principal and interest are to be made in lawful money of the United States of America in same day or immediately available funds.

Interest on each advance under this Note shall accrue from and including the date made at an annual rate equal to 7.75% (the "Construction Interest Rate") as provided in the Loan Agreement (as defined below).

Prior to maturity, accrued and unpaid interest at the Construction Interest Rate, shall be due and payable in arrears on the first day of each month commencing on April 1, 2023. The entire principal balance of this Note then unpaid, together with all accrued and unpaid interest and all other amounts payable hereunder and under the Loan Agreement (as defined below) shall be due and payable in full twenty-four (24) months after the date of this Note (the "Maturity Date"), the final maturity of this Note.

Bondholder shall grant a request by Borrower to extend the Maturity Date of this Note to six (6) months from Maturity Date, upon and subject to the following terms and conditions in the Continuing Covenants Agreement.

This Borrower Note is the "Series 2023A Borrower Note" described in, and is subject to the terms and provisions of that certain Borrower Loan Agreement, dated as of March 1, 2023 (as the same may at any time be amended or modified and in effect, the "Loan Agreement"), among the undersigned, the Issuer, and Bondholder, and payment of this Series 2023A Borrower Note is secured as described in the Loan Agreement. Reference is hereby made to the Loan Agreement for a statement of the prepayment rights and obligations of the undersigned, a description of the nature and extent of the security, and the rights of the parties to the related documents in respect of such security, and for a statement of the terms and conditions under which the due date of this Series 2023A Borrower Note may be accelerated. Any notice, request, or demand to or upon Borrower or Bondholder shall be deemed to have been properly given or made when delivered in accordance with the terms of the Loan Agreement regarding notices. Upon the occurrence of any Event of Default as specified in the Loan Agreement, the unpaid principal balance hereof, and interest accrued hereon, may be declared to be forthwith due and payable.

In addition to, and not in limitation of, the foregoing and the provisions of the Loan Agreement, the undersigned further agrees, subject only to any limitation imposed by applicable law, to pay all reasonable expenses, including, but not limited to, attorneys' fees and legal expenses, incurred by the registered owner of this Series 2023A Borrower Note in endeavoring to collect any amounts payable hereunder which are not paid when due, whether by acceleration or otherwise.

It is expressly stipulated and agreed to be the intent of Borrower and Bondholder at all times to comply with applicable state law or applicable United States federal law (to the extent that it permits Bondholder to contract for, charge, take, reserve, or receive a greater amount of interest than under state law). If applicable state or federal law should at any time be judicially interpreted so as to render usurious any amount called for under this Note or under any of the other Loan Documents, or contracted for, charged, taken, reserved, or received with respect to the Loan, or if Bondholder's exercise of the option to accelerate the Maturity Date, or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by applicable law, then it is Bondholder's express intent that all excess amounts theretofore collected by Bondholder shall be credited on the principal balance of this Note and all other indebtedness secured by the Mortgage, and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder.

This Note is secured by, among other things, the Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of March 1, 2023, from the Borrower for the benefit of the Bondholder, and by the other Security Documents.

All parties hereto, whether as makers, endorsers or otherwise severally waive presentment for payment, demand, protest and notice of dishonor.

THIS SERIES 2023A BORROWER NOTE HAS BEEN DELIVERED IN CHICAGO, ILLINOIS, AND SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

IN WITNESS HEREOF, Borrower has delivered this Series 2023A Borrower Note as of the date first written above.

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, an Illinois limited partnership

By: CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LLC, an Illinois limited liability company, its General Partner

By: Greater Southwest Development Corporation, an Illinois not-for-profit corporation, as the sole member of the General Partner

By: _____
Name: Adrian Soto
Title: Executive Director

NON-RECOURSE ENDORSEMENT

Pay to the order of _____, without recourse against the undersigned.

CITY OF CHICAGO

By: _____
Jennie Huang Bennett
Chief Financial Officer

EXHIBIT A-2
FORM OF SERIES 2023B BORROWER NOTE

\$4,900,000

March 2, 2023

CHICAGO, ILLINOIS

The undersigned, FOR VALUE RECEIVED, promise to pay to the order of the CITY OF CHICAGO (the "Issuer"), at the principal office of Zions Bancorporation, National Association in Chicago, Illinois, FOUR MILLION NINE HUNDRED THOUSAND DOLLARS (\$4,900,000) or, if less, the aggregate unpaid principal balance of the Series 2023B Loan (as defined in the hereinafter defined Loan Agreement) made by the Issuer to the undersigned pursuant to the Loan Agreement, due and payable on the Series 2023B Maturity Date (as defined in the hereinafter defined Bond Issuance Agreement) or at such earlier time as provided in the Loan Agreement.

The undersigned also promises to pay interest on the unpaid principal amount hereof from time to time outstanding from the date hereof until maturity (whether by acceleration or otherwise) and, after maturity, until paid, at the rates per annum and on the dates specified in the Loan Agreement. Principal of and interest under this Note and on the Series 2023B Bonds shall be payable at such times and in such amounts as shall be sufficient to pay the Issuer's Series 2023B Bonds issued under the Bond Issuance Agreement dated as of March 1, 2023 among the Issuer, Legacy Bank & Trust Company, a Missouri chartered Bank, as Bondholder, and Zions Bancorporation, National Association, as Fiscal Agent (the "Bond Issuance Agreement").

Payments of principal and interest are to be made in lawful money of the United States of America in same day or immediately available funds.

Prior to the Conversion Date, interest on each advance under this Note shall accrue from and including the date made at an annual rate equal to 7.75% (the "Construction Interest Rate") as provided in the Loan Agreement (as defined below).

After the Conversion Date, interest on the outstanding balance under this Note shall accrue from and including the date made at an annual rate equal to 5.9% (the "Permanent Interest Rate") as provided in the Loan Agreement.

Prior to the Conversion Date, accrued and unpaid interest at the Construction Interest Rate, as herein defined, shall be due and payable in arrears on the first day of each month commencing on April 1, 2023. If the Conversion to the Permanent Loan has not occurred, any remaining principal and interest shall be due and payable on the Construction Loan Maturity Date, as herein defined, as such may be extended pursuant to the Loan Agreement, or on any earlier date on which the unpaid principal balance of this Note becomes due and payable, by acceleration or otherwise. The Construction Loan Maturity Date shall mean the date that is twenty-four (24) months from the date of this Note (the "Construction Loan Maturity Date"). The unpaid principal balance shall

continue to bear interest after the Construction Loan Maturity Date at the Past Due Rate set forth in this Note until and including the date on which it is paid in full.

Bondholder shall grant a request by Borrower to extend the Maturity Date of this Note to six (6) months after the Maturity Date, upon and subject to the following terms and conditions in the Continuing Covenants Agreement.

Upon Conversion to the Permanent Loan on the Conversion Date, payment of principal and interest for each Interest Accrual Period shall be due and payable commencing on the 1st day of the calendar month after the calendar month in which the Conversion Date occurs and continuing on the 1st day of each calendar month thereafter (each a "Scheduled Payment Date") in an amount equal to \$26,918.47 (the "Monthly Permanent Loan Payment Amount") until the entire unpaid principal balance evidenced by this Note is paid in full. The Monthly Permanent Loan Payment Amount is based upon a forty (40) year amortization. Any remaining principal and interest shall be due and payable 204 months after the date of the Bond or on any earlier date on which the unpaid principal balance of this Note becomes due and payable, by acceleration or otherwise (the "Maturity Date"). The unpaid principal balance shall continue to bear interest after the Maturity Date at the Past Due Rate (as hereinafter defined) set forth in this Note until and including the date on which it is paid in full.

This Borrower Note is the "Series 2023B Borrower Note" described in, and is subject to the terms and provisions of, a Loan Agreement, dated as of March 1, 2023 (as the same may at any time be amended or modified and in effect, the "Loan Agreement"), among the undersigned, the Issuer, and Bondholder, and payment of this Series 2023B Borrower Note is secured as described in the Loan Agreement. Reference is hereby made to the Loan Agreement for a statement of the prepayment rights and obligations of the undersigned, a description of the nature and extent of the security, and the rights of the parties to the related documents in respect of such security, and for a statement of the terms and conditions under which the due date of this Series 2023B Borrower Note may be accelerated. Any notice, request, or demand to or upon Borrower or Bondholder shall be deemed to have been properly given or made when delivered in accordance with the terms of the Loan Agreement regarding notices. Upon the occurrence of any Event of Default as specified in the Loan Agreement, the unpaid principal balance hereof, and interest accrued hereon, may be declared to be forthwith due and payable.

In addition to, and not in limitation of, the foregoing and the provisions of the Loan Agreement, the undersigned further agrees, subject only to any limitation imposed by applicable law, to pay all reasonable expenses, including, but not limited to, attorneys' fees and legal expenses, incurred by the registered owner of this Series 2023B Borrower Note in endeavoring to collect any amounts payable hereunder which are not paid when due, whether by acceleration or otherwise.

It is expressly stipulated and agreed to be the intent of Borrower and Bondholder at all times to comply with applicable state law or applicable United States federal law (to the extent that it permits Bondholder to contract for, charge, take, reserve, or receive a greater amount of interest than under state law). If applicable state or federal law should at any time be judicially interpreted so as to render usurious any amount called for under this Note or under any of the other Loan Documents, or contracted for, charged, taken, reserved, or received with respect to the Loan,

or if Bondholder's exercise of the option to accelerate the Maturity Date, or if any prepayment by Borrower results in Borrower having paid any interest in excess of that permitted by applicable law, then it is Bondholder's express intent that all excess amounts theretofore collected by Bondholder shall be credited on the principal balance of this Note and all other indebtedness secured by the Mortgage, and the provisions of this Note and the other Loan Documents shall immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without the necessity of the execution of any new documents, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder or thereunder.

This Note is secured by, among other things, the Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated as of March 1, 2023, from the Borrower for the benefit of the Bondholder, and by the other Security Documents.

All parties hereto, whether as makers, endorsers or otherwise severally waive presentment for payment, demand, protest and notice of dishonor.

THIS SERIES 2023B BORROWER NOTE HAS BEEN DELIVERED IN CHICAGO, ILLINOIS, AND SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

IN WITNESS HEREOF, Borrower has delivered this Series 2023B Borrower Note as of the date first written above.

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, an Illinois limited partnership

By: **CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LLC**, an Illinois limited liability company, its General Partner

By: **Greater Southwest Development Corporation**, an Illinois not-for-profit corporation, as the sole member of the General Partner

By: _____
Name: Adrian Soto
Title: Executive Director

NON-RECOURSE ENDORSEMENT

Pay to the order of _____, without recourse against the undersigned.

CITY OF CHICAGO

By: _____
Jennie Huang Bennett
Chief Financial Officer

EXHIBIT B

COSTS OF PROJECT

Uses:

ITEM	QUALIFIED AMOUNT (\$)	UNQUALIFIED AMOUNT (\$)
Building Acquisition	4,000,000	
Acquisition: Title and Transfer Taxes	90,942	
Construction: Net Construction Costs	5,579,966	
Construction: Building Permits	23,775	
Construction: Contingency	352,038	
Construction: Builders Risk Insurance	12,609	
Construction: Tenant Relocation	73,854	
Prof: Architect – Design	308,209	
Predevelop Loan		5,406
Prof: Legal - Organizational	101,526	19,888
Prof: Accountant - General		125
Prof: Plats & Surveys	4,000	
Prof: Appraisal	5,000	
Prof: Environmental Reports	13,287	
Prof: PNA Report	6,500	
Prof: Market Study	5,250	
Prof: Title & Recording Fees	41,022	
Prof: Financial and Construction	115,037	
Prof: Consult Construction Admin	52,544	
LenFee: Plan Review & Appraisal	10,000	
LenFee: LIHTC Reservation Fee & IAHTC		81,636
Len. Fee: Lender Legal Costs	7,858	7,857
LenFee: Construction Points	119,000	
LenFee: Construction Inspection	15,300	
Len. Fee: Bond Costs: All		297,778
LenFee: Construction interest-rate lock	38,842	
Res: Lender Application Fees		750
Construction interest reserve	510,000	
Totals	11,486,560	413,440

EXHIBIT C

FORM OF DISBURSEMENT REQUEST

Zions Bancorporation, National Association, as Fiscal Agent

Attention: Corporate Trust Department

Ladies and Gentlemen:

1. This Disbursement Request is delivered to you pursuant to Section 9.5 of the Bond Loan Agreement, dated as of March 1, 2023 (as amended or modified, the "Loan Agreement"), among Churchview Supportive Living Preservation, LP, an Illinois limited partnership (the "Borrower"), Legacy Bank & Trust Company, as Lender (the "Lender") and the City of Chicago (the "Issuer"). Unless otherwise defined herein, capitalized terms used herein have the meanings provided in Exhibit A to the Bond Issuance Agreement.

2. Attached hereto as Attachment 1 is a Borrower Specimen Certificate, indicating those officers or employees of the Borrower who are authorized to execute a Disbursement Request on behalf of the Borrower.

3. The undersigned, on behalf of the Borrower, hereby requests that a disbursement be made in the aggregate principal amount of \$ _____ on _____ with respect to the Project.

4. As required in the Loan Agreement, the following are being submitted to the Lender along with this Disbursement Request:

(a) an "Application for Payment and General Contractor's Sworn Statement" form completed and certified and sworn to by the General Contractor and by the Architect and a certification of the Architect that the work for which payment is requested has been done in substantial compliance with the Plans and Specifications;

(b) AIA Document G702, Conditional and Unconditional Lien Waivers;

(c) copies of invoices for all reimbursable soft costs;

(d) a Title Company date down and pending disbursement endorsements updating the Bondholder's Title Policy through the date of the immediately preceding disbursement;

(e) copies of invoices to support the full amount of non-construction cost items contained in this Disbursement Request;

(f) if applicable, copies of any proposed or executed change orders on standard AIA G701 form, which have not been previously furnished to Issuer and Bondholder;

(g) a report from the Bondholder's inspecting architect that contains an analysis demonstrating the adequacy of the Budget to complete the Project, an analysis as to whether the work is proceeding in accordance with the construction schedule and the Plans and Specifications, and a certification as to amounts of construction costs for the Disbursement Request;

(h) if applicable, copies of all construction contracts (including subcontracts) which have been executed since the last disbursement, together with any payment and performance bonds obtained or required to be obtained with respect thereto;

(i) if applicable, all permits needed in connection with the Project not previously delivered to Bondholder; and

(j) any other documentation as has been requested by Bondholder in connection with this Disbursement Request.

5. The undersigned, on behalf of the Borrower, hereby certifies and warrants that on the date the disbursement requested hereby is made, after giving effect to the making of such disbursement:

(a) that each obligation mentioned herein has been properly incurred subsequent to April 23, 2022 (which is the date 60 days prior to the date the City of Chicago adopted an inducement ordinance with respect to the Project), is a proper Project cost, and is in compliance with all provisions of the Tax Compliance Agreement, including, without limitation, the requirement that at least 95% of all costs disbursed to date, including the current disbursement, constitute costs that are chargeable to the Project's capital account, and solely constitute expenditures that will be capitalized for federal income tax purposes and are for land or property that will qualify for depreciation under the Code and will result in property having a useful life to the borrower of more than one year OR to the extent such disbursement is requested to pay interest on the Bonds, such amount disbursed represents interest chargeable to the Borrower's capital account for federal tax law purposes;

(b) that no portion of the amount to be disbursed hereby is for costs of issuance (as defined in the Tax Compliance Agreement);

(c) no Default or Event of Default has occurred and is continuing, or will result from the making of such disbursement;

(d) the representations and warranties of the Borrower contained in Article VI of the Loan Agreement are true and correct with the same effect as though made on the date hereof;

(e) this Disbursement Request is requested to pay for various expenses incurred in connection with the improvements, as summarized on the Owner's Sworn Statement, and detailed in the invoices submitted herewith. Borrower hereby certifies that the amounts on the Owner's Sworn Statement and the accompanying invoices represents costs of designing, developing, rehabilitating and leasing the improvements which are eligible for

reimbursement at this time in accordance with the provisions of the Loan Agreement and the Continuing Covenants Agreement; and

(f) Borrower acknowledges that any increased costs of construction and/or rehabilitation arising out of change orders, or otherwise, which are not included or provided for in the Total Costs Breakdown as set forth in the Loan Agreement and Continuing Covenants Agreement, cannot be invoiced on this Disbursement Request unless and until such change orders and/or increase in costs have been approved in writing by the Bondholder in accordance with the Loan Agreement and Continuing Covenants Agreement.

6. The undersigned, on behalf of the Borrower, agrees that if, prior to the time of the funding of the disbursement requested hereby, any matter certified to herein by it will not be true and correct in all material respects at the time of such funding as if then made, it will immediately so notify the Fiscal Agent and the Issuer. Except to the extent, if any, that prior to the time of the funding of the disbursement requested hereby the Fiscal Agent shall receive written notice to the contrary from the undersigned, on behalf of the Borrower, or the Borrower, each matter certified to herein shall be deemed once again to be certified as true and correct at the date of such funding as if then made.

7. For this Disbursement Request, please wire transfer the proceeds of the disbursement to the Title Company pursuant to the wire transfer instructions attached hereto.

This certificate is given by the undersigned on behalf of the Borrower.

[Remainder of Page Intentionally Left Blank]

The undersigned has caused this Disbursement Request to be executed and delivered, and the certification and warranties contained herein to be made, by an authorized officer this 1st day of March, 2023.

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, an Illinois limited partnership

By: **CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LLC**, an Illinois limited liability company its General Partner

By: **Greater Southwest Development Corporation**, an Illinois not-for-profit corporation, as the sole member of the General Partner

By: _____
Name: Adrian Solo
Title: Executive Director

APPROVED:

LEGACY BANK AND TRUST COMPANY

By: _____
Name: _____
Its: _____


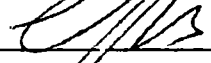
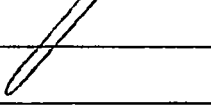
Attachment 1
Borrower Specimen Certificate

March 1, 2023

In connection with the issuance by the City of Chicago (the "**City**") of its \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the "**Series 2023A Bonds**") and \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the "**Series 2023B Bonds**") and collectively with the Series 2023A Bonds, the "**Bonds**"), the undersigned, on behalf of Churchview Supportive Living Preservation, LP, as borrower with respect to the Bonds (the "**Borrower**"), HEREBY represents as follows:

1. As Executive Director of Greater Southwest Development Corporation, which is the sole member (the "**Sole Member**") of Churchview Supportive Living Preservation, LLC, which is the General Partner of the Borrower (the "**General Partner**"), I am authorized to execute this Borrower Specimen Certificate on behalf of Borrower.

2. The following persons are authorized, in their official capacity, to deliver the Disbursement Request to which this Borrower Specimen Certificate is attached as Attachment 1:

<u>Name</u>	<u>Title</u>	<u>Signature</u>
Adrian Soto	Executive Director	
Christine James	Director of Real Estate & Community Development	
		

3. Each such person whose names appears above is a duly appointed and qualified representatives of the Borrower, the General Partner or the Sole Member, and the signature appearing after the name of such person is a true and correct specimen of that person's genuine signature.

[Remainder of Page Intentionally Left Blank]


IN WITNESS WHEREOF, the undersigned, has caused this Borrower Specimen Certificate to be executed as of the date first set forth above.

CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP, an Illinois limited partnership

By: **CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LLC**, an Illinois limited liability company its General Partner

By: **Greater Southwest Development Corporation**, an Illinois not-for-profit corporation, as the sole member of the General Partner

By:


Name: Adrian Soto

Title: Executive Director

ANNEX I

PART I

EXHIBIT D

CONSTRUCTION WIRE TRANSFER INSTRUCTIONS

Bank Name: Huntington National Bank
 7 Easton Oval – EA2W47
 Columbus, OH 43219

ABA Number: 044000024

For credit to: Title Services Midwest LLC

Account #: 01060248720

Please reference following in email:

Escrow #: 213165

File Name: Churchview

EXHIBIT E
FUNDING SCHEDULE

	First Installment (closing) 2,633,436	Construction Draw Budget\par\b0\N72 Churchview SLF from appr Second -red IAHTC																		Third Installment (1/1/2024) 1,097,265	Fourth Installment (7/1/2024) 1,799,515
	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23	Sep 23	Oct 23	Nov 23	Dec 23	Jan 24	Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24	Aug 24	Sep 24		
Total	Draw #1-Closing	Draw #2	Draw #3	Draw #4	Draw #5	Draw #6	Draw #7	Draw #8	Draw #9	Draw #10	Draw #11	Draw #12	Draw #13	Draw #14	Draw #15	Draw #16	Draw #17	Draw #18	Draw #19		
CDMG	8,000,000.00		746,746					532,331	918,899	958,838	333,482	230,459	381,024	452,466	74,792	30,000			285,746		
Illinois Donations	910,000.00	910,000.00																			
Tax Credit Equity	4,596,593.00	2,633,436.00																			
Seller Loan	2,080,000.00	2,080,000.00											1,083,597						879,561		
Existing Reserves Capital Contribut	1,216,859.00	1,216,859.00																			
TE Bonds-Series B	574,599.00	574,599.00																			
Transferred receivables	574,599.00	574,599.00																			
Construct Bridge Loan -Bond Series A	7,000,000.00	987,895.88	135,595	400,627	990,256	1,387,299	1,390,263	1,205,208	507,856												
												</									

Fifth
Installment
(10/1/24)
289,678
Oct-24
Draw #20

Bridge Loan Payback
919,955 4th install
11,669 3rd install balance
2,958,226 2nd install balance
289,678 5th install balance

236,746	5,181,528	2,818,472
	910,000	-
	4,596,593	-
	2,080,000	-
	1,216,859	-
	4,390,000	-
	574,599	-
	7,000,000	0
		-
		-

236,746	25,949,579	6,999,999
---------	------------	-----------

41,613	1,020,000	
	226,292	
	198,646	
41,613	3,444,938	

Draw #20

4,410,000	-
4,000,000	-
450,000	-
1,610,000	-
574,599	-
90,942	-
8,327,249	-
23,775	-
720,982	(0)
25,000	-
510,000	-
149,900	-
356,500	-
194,053	-
66,750	-
203,052	-
55,762	-
20,000	-
5,000	-
13,287	-
6,500	-
5,250	-
41,022	-
275,000	-
70,000	(0)
50,000	-
5,406	-
81,641	-
30,000	-
119,000	-
11,000	-
40,000	-
28,850	-
241,327	-
38,842	-
946,983	-
150,000	-
165,136	-
38,700	-
1,759,121	-
750	-
236,746	25,949,579

510,000	
276,292	
112,162	
86,484	
94,938	

SCHEDULE 7.15

Financial Statements [TO CONFIRM WITH LEGACY]

ENTITY	STATEMENT TYPE	FREQUENCY	START TRACKING	RECEIPT DATE
Borrower	Audited Financial Statements	Annual	Beginning the year of Stabilization achievement	No later than 120 days after fiscal year end
Borrower	Operating Statement	Monthly	Beginning at Construction Completion until Stabilization	No later than 30 days after month end
Borrower	Rent Roll	Monthly	Beginning at Construction Completion until Stabilization	No later than 30 days after month end
Guarantor*	Audited Financial Statements	Annual	Beginning at Closing and delivered each Fiscal Year End (12/31)	No later than 180 days after fiscal year end

EXHIBIT C
LAND USE RESTRICTION AGREEMENT

[see attached]

EXHIBIT D
TAX COMPLIANCE AGREEMENT

[see attached]

CITY OF CHICAGO

**\$7,000,000 Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023A**

and

**\$4,900,000 Multi-Family Housing Revenue Bonds
(Churchview Homes Project), Series 2023B**

TAX COMPLIANCE AGREEMENT

Dated March 8, 2023

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TAX COMPLIANCE AGREEMENT

In connection with the issuance by the **CITY OF CHICAGO, ILLINOIS** (the “**City**”) of its \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the “**Series 2023A Bonds**”) and its \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the “**Series 2023B Bonds**” and collectively with the Series 2023A Bonds, the “**Bonds**”) pursuant to Treasury Regulation Section 1.148-2(b)(2), the City, **CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP**, an Illinois limited partnership (the “**Borrower**”), and **ZIONS BANCORPORATION, NATIONAL ASSOCIATION**, as Fiscal Agent (the “**Fiscal Agent**”) enter into the following Tax Compliance Agreement, dated this 8th day of March, 2023 (the “**Tax Compliance Agreement**”).

RECITALS

The City and the Borrower agree to maintain the exclusion of interest on the Bonds from gross income for federal income tax purposes. The City, the Borrower and the Fiscal Agent agree to comply with the provisions of this Tax Company Agreement.

The City and the Borrower agree to make any and all payments required to be made to the United States Department of the Treasury in connection with the Bonds pursuant to Section 148(f) of the Internal Revenue Code of 1986 (the “**Code**”). The Fiscal Agent will remit amounts, if any, required to be paid to the United States Department of the Treasury.

The City, the Borrower and the Fiscal Agent understand and acknowledge that the opinions of BurgherGray LLP and Sanchez Daniels & Hoffman LLP, as Co-Bond Counsel (“**Co-Bond Counsel**”), regarding the exclusion of interest on the Bonds from gross income for purposes of federal income taxation under Section 103(a) of the Code (a) are rendered in reliance on the representations and statements of fact and expectations contained herein and (b) assumes the City’s and the Borrower’s continued compliance with the provisions of this Tax Compliance Agreement. The Fiscal Agent makes no representations, warranties, or agreements except as explicitly indicated, and the Fiscal Agent is not responsible for any statements herein except for those indicated.

The Fiscal Agent is executing and delivering this Tax Compliance Agreement solely for the purposes of acknowledging the matters set forth herein, and being bound to undertake only those duties and responsibilities specifically set forth with respect to the Fiscal Agent in this Tax Compliance Agreement. With respect to matters set forth in the remaining Sections of this Tax Compliance Agreement, the Fiscal Agent has made no investigation, makes no representation, and undertakes no duties or responsibilities. No implied duties or responsibilities may be read into this Tax Compliance Agreement against the Fiscal Agent, and the Fiscal Agent shall be entitled to the protections, privileges, exculpation, and indemnities contemplated under the Bond Issuance Agreement among the City, as Issuer, Legacy Bank & Trust Company, as bondholder (the “**Bondholder**”) and the Fiscal Agent, dated as of March 1, 2023 (the “**Bond Issuance Agreement**”).

The City, the Borrower and the Fiscal Agent hereby represent and agree as follows:

SECTION 1 DEFINITIONS

1.1 **Terms Defined Herein.** Except as provided in 1.2, capitalized terms used in this Tax Compliance Agreement shall have the meanings set forth in **Exhibit A** hereto.

1.2 **Terms Defined Elsewhere.** Where capitalized terms are not defined herein, such terms shall have the meanings set forth in the Bond Issuance Agreement or the Bond Loan Agreement among the City, the Borrower and the Bondholder, dated as of March 1, 2023 (the "**Loan Agreement**").

SECTION 2 GENERAL REPRESENTATIONS; PURPOSE OF BONDS

2.1 **Statement as to Expectations.** To the best of the knowledge and belief of the undersigned officers of the City and the Borrower, the City's and the Borrower's expectations with respect to the Bonds as set forth in this Tax Compliance Agreement are reasonable. To the extent such expectations do not relate directly to the City, the City is relying on the certifications and representations of the Borrower, set forth herein and in the Project Certificate of Borrower, attached hereto as Exhibit J. All statements in this Tax Compliance Agreement as to the requirements, interpretation, or conclusions of federal income tax law are made in reliance upon the advice of Co-Bond Counsel.

2.2 **Responsible Person.** The undersigned representatives of the City, the Borrower and the Fiscal Agent, together with others, are persons charged with the responsibility for execution of this Tax Compliance Agreement and have made due inquiry with respect to and are fully informed as to the matters set forth in this Tax Compliance Agreement. The undersigned representative of the City is relying upon factual matters made by the Borrower and has not made independent investigation of such matters. To the extent such facts do not relate directly to the Fiscal Agent, the Fiscal Agent is relying upon the certifications of the Borrower, which reliance is reasonable and prudent.

2.3 **Not Arbitrage Bonds.** None of the City, the Borrower or the Fiscal Agent will intentionally use any of the money on deposit under the Bond Issuance Agreement or elsewhere (whether derived from the sale of the Bonds or from any other source) in a manner that will cause the Bonds to be "arbitrage bonds" under Section 148 of the Code. No portion of the Bonds are being issued solely for the purpose of investing the Proceeds or Replacement Proceeds at a yield higher than the yield on the Bonds.

2.4 **Timing of Issuance.** The date of issuance of the Bonds has been determined by the Borrower solely on the basis of bona fide financial reasons, in accordance with ordinary financial practice in financing facilities similar to the Project (as defined in Section 2.6 hereof) and has not been determined with a view to abnormally prolonging the period between issuance of the Bonds and the expenditure of the Proceeds thereof.

2.5 **Authorization.** The Bonds are being issued pursuant to an Ordinance adopted by the City Council of the City on November 16, 2022 and the Bond Issuance Agreement. The City,

the Bondholder, and the Borrower have entered into the Loan Agreement, pursuant to which the City has agreed to lend the Sale Proceeds (as defined in Section 3.1 hereof) of the Bonds to the Borrower and the Borrower has agreed to make payments sufficient to pay principal of, interest on, and premium, if any, on the Bonds.

2.6 **Purpose of Bonds.** The Bonds are being issued to finance or reimburse for a portion of the costs of the acquisition of land and building located at 2626 W. 63rd Street, Chicago, Illinois (the “**Premises**”) and rehabilitation of an existing very-low income housing development project for seniors thereon, consisting of one building containing approximately 86 rental units, together with certain common areas, associated parking spaces and other building amenities in order to properly preserve and enhance the existing affordable housing, as well as to increase energy efficiency (the “**Project**”). Other amounts not originating from proceeds of a tax-exempt issuance of obligations will also be used in connection with costs of the foregoing.

SECTION 3

REASONABLE EXPECTATIONS OF THE CITY AND THE BORROWER AS TO USE AND INVESTMENT OF PROCEEDS OF THE BONDS

3.1 **Application of Sale Proceeds of Bonds.** (a) The amount to be actually and constructively received by the City from the sale of the Series 2023A Bonds equals the maximum aggregate principal amount of \$7,000,000 (the “**Series 2023A Bond Sale Proceeds**”) and the amount to be actually and constructively received by the City from the sale of the Series 2023B Bonds equals the maximum aggregate principal amount of \$4,900,000 (the “**Series 2023B Bond Sale Proceeds**”). The Series 2023A Bond Sale Proceeds and the Series 2023B Bond Sale Proceeds (collectively, the “**Sale Proceeds**”) will be used as described below. A schedule of the sources and uses of money as reasonably expected as of the Issue Date is included as Part 1 of **Exhibit B** hereto.

(b) The Bonds have been issued as a “draw-down” obligation, under the terms of which proceeds will be advanced from time to time to the City, and in turn lent to the Borrower, only at the time that such amounts are to be paid by the Borrower to third parties for costs of the Project, except for certain initial draws of proceeds described in the next sentence. As of the date hereof, draws in excess of \$50,000 are being made with respect to the Bonds, with the result that the date hereof will be treated as the “issue date” of the Bonds for certain federal income tax purposes, in accordance with the provisions of Treasury Regulation §1.150-1(c)(4)(i).

(c) Except for the amount described in (d), draws of proceeds under the Bonds will be deposited under the terms of the Bond Issuance Agreement and, pursuant to the Loan Agreement, will be transferred to the Construction Escrow established under the Construction Escrow Agreement when the disbursement conditions under the Loan Agreement have been satisfied. Moneys held in the Construction Escrow will in turn be disbursed therefrom to pay costs of the Project in accordance with the provisions of the Construction Escrow Agreement. Inasmuch as the Borrower expects that draws of Sale Proceeds will be made only as and when disbursements to third parties for Project costs (or costs of issuing the Bonds) have been authorized to be made under the provisions of the Loan Agreement and the Construction Escrow Agreement (with the possible exception of the initial draws being made under the Bonds on the date hereof), the Borrower does not reasonably anticipate that any significant investment earnings will be earned

on the Sale Proceeds of the Bonds pending their expenditure for Project costs (or for costs of issuing the Bonds). The Borrower reasonably expects that all of the conditions of the funding will be satisfied and the proceeds of the Bonds spent for Project costs.

(d) On the Issue Date, Sale Proceeds in the amount of \$510,000 will be deposited into the Capitalized Interest Fund established pursuant to the Bond Issuance Agreement and used to pay certain interest expenses during the Project Period. Such amount will not be disbursed pursuant to requisitions, but will be disbursed as necessary to make the required interest payments.

3.2 Accrued Interest. The Bonds are dated the Issue Date. Thus, there is no accrued interest being paid in connection with the issuance of the Bonds.

3.3 No Overissuance. The Sale Proceeds of the Bonds, together with any investment earnings thereon, do not exceed the amount necessary to finance the costs of the Project.

3.4 Expenditures on Project. The Borrower has entered into or reasonably expects to incur, within six months of the Issue Date, a substantial binding obligation (not subject to contingencies within the control of the City, any Related Party to the City, the Borrower, or any Related Party to the Borrower) to a third party to expend at least five percent of the Sale Proceeds of the Bonds on capital expenditures for the Project. On or before March 8, 2025, a date that is within the three-year period beginning on the Issue Date, the City and the Borrower reasonably expect that all of the Sale Proceeds of the Bonds, together with any investment earnings thereon earned prior to the completion of the Project, will have been expended to pay costs of the Project. The City and the Borrower expect that the Sale Proceeds and any investment earnings thereon will be spent in accordance with the drawdown schedule listed on Part 2 of **Exhibit B**. The City and the Borrower will proceed with due diligence to complete the acquisition, construction, and equipping of the Project and to expend the Sale Proceeds of the Bonds.

3.5 No Sale of Project. The Borrower does not expect to sell or otherwise dispose of any portion of the Project prior to the maturity date of the Bonds.

3.6 Issuance Costs. No Sale Proceeds of the Bonds are expected to be used to pay costs of issuing the Bonds, including the origination fee paid to the Bondholder as described in **Exhibit C**.

3.7 Establishment of Funds

(a) **Construction Fund.** The Bond Issuance Agreement establishes a construction fund to be funded with Sale Proceeds of the Bonds (the "**Construction Fund**"). Amounts are to be withdrawn from the Construction Fund, pursuant to requisition, as provided in the Bond Issuance Agreement and the Loan Agreement to finance costs of the Project.

(b) **Capitalized Interest Fund.** The Bond Issuance Agreement establishes a capitalized interest fund to be funded initially with Sale Proceeds of the Bonds (the "**Capitalized Interest Fund**"). The amounts in the Capitalized Interest Fund shall be used to pay construction period interest on certain Borrower obligations related to the Project. After completion of the Project, Sale Proceeds of the Bonds remaining in the Capitalized Interest Fund will be transferred to the Construction Fund and used to finance costs of the Project prior to the date the Project is

placed in service. On the date that Sale Proceeds of the Bonds are withdrawn from the Capitalized Interest Fund, an equal amount originating from a source other than the Sale Proceeds of the Bonds will be deposited into the Capitalized Interest Fund and used to pay the remainder of the interest, if any, on the Borrower obligations.

3.8 No Debt Service Fund. Under the Bond Issuance Agreement, the Borrower is expected to make payments of debt service on the Bonds directly on the date due to the Bondholder. Thus, there is no fund or account created to hold debt service on the Bonds.

3.9 No Additional Sinking Funds

(a) Neither the City nor the Borrower has created or established, nor does either expect to create or establish, any debt service fund, redemption fund, replacement fund, sinking fund or other similar fund that is reasonably expected to be used to pay debt service on the Bonds or pledged therefor and for which there is reasonable assurance that amounts deposited therein will be available to pay debt service on the Bonds in the event of financial difficulty of the City or the Borrower. No portion of the proceeds of the Bonds will be used as a substitute for other funds that were otherwise to have been used as a source of financing for the Project, or for the payment of debt service on the Bonds, and that have been or will be used to acquire directly or indirectly securities producing a yield in excess of the yield on the Bonds.

(b) After the issuance of the Bonds, neither the City, the Borrower nor any Related Person to either the City or Borrower has or will have any property, including cash, securities or any other property held as a passive vehicle for the production of income or for investment purposes, that constitutes:

(i) amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the Bonds were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus); or

(ii) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the holders of the Bonds, or any credit enhancement provider, including any liquidity device or negative pledge (*e.g.*, any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of holders of the Bonds or a guarantor of the Bonds).

(c) No compensating balance, liquidity account, negative pledge of property held for investment purposes required to be maintained at or above a particular level or similar arrangement exists with respect to, in any way, the Bonds, the Bond Issuance Agreement, the Loan Agreement, any agreements between the Bondholder and the Borrower related to the Bonds, or any credit enhancement or liquidity device related to the Bonds.

(d) All property subject to the mortgage and security agreement given by the Borrower to the Bondholder is and will be used by the Borrower in the conduct of its trade or business, and none of such property consists of securities, obligations, annuity contracts or other property held principally as a passive vehicle for the production of income.

3.10 No Abusive Arbitrage Device. No abusive arbitrage device is being used in connection with the issuance of the Bonds. Neither the City nor the Borrower has taken or will take any action in connection with the issuance of the Bonds that has the effect of (a) enabling the City or the Borrower to exploit the difference between tax-exempt and taxable interest rates to obtain a material financial advantage or (b) overburdening the tax-exempt bond market. An action may exploit tax-exempt interest rates as a result of an investment of any portion of the Gross Proceeds of the Bonds over any period of time, notwithstanding that, in the aggregate, the Gross Proceeds of the Bonds are not invested in higher yielding investments over the term of the Bonds. In addition, an action overburdens the tax-exempt bond market if it results in issuing more bonds, issuing bonds earlier, or allowing bonds to remain outstanding longer than is otherwise reasonably necessary to accomplish the governmental purposes of the bonds, based on all the facts and circumstances.

3.11 No Hedge Bonds. The City and the Borrower reasonably expect that 85 percent of the Sale Proceeds (excluding Sale Proceeds, if any, invested as part of a minor portion described in Section 4.7 hereof) of the Bonds will be used to carry out the governmental purposes of the Bonds within the three-year period beginning on the Issue Date. Not more than 50 percent of the Sale Proceeds of the Bonds will be invested in Nonpurpose Investments having a substantially guaranteed yield for four years or more.

3.12 Reimbursements

(a) **In General.** Except for certain architectural fees and other “Preliminary Expenditures” (as defined in (f) below), the Borrower does not currently expect to use proceeds of the Bonds to reimburse itself for expenditures paid prior to the date hereof. Nevertheless, the Borrower may reimburse such prior expenditures in accordance with the provisions of this Section 3.12.

(b) **Official Intent Requirement.** Except as provided in (f) below, with respect to any capital expenditure that is being reimbursed, the payment of such expenditure occurred no earlier than April 23, 2022, the date that is 60 days before the date the City declared in writing that it reasonably expected to reimburse such expenditures with proceeds of an obligation (the “**Official Intent Requirement**”). This declaration, which was set forth in the Inducement Ordinance adopted by the City Council of the City on June 22, 2022 (and recorded in the Journal of the City Council of Chicago, pages 48716-48719, a copy of which is attached hereto as **Exhibit D**), contained a general description of the Project and the maximum principal amount of obligations expected to be issued for the Project.

(c) **Reimbursement Period Requirement.** With respect to each expenditure being reimbursed, the reimbursement allocation date is not later than 18 months after the later of (i) the date the expenditure was paid or (ii) the date the Project is placed in service or abandoned, but in

no event more than three years after the date the expenditure was paid (the “**Reimbursement Period Requirement**”).

(d) **Nature of Expenditure.** Each expenditure being reimbursed is a capital expenditure or a cost of issuing the Bonds.

(e) **No Avoidance of Arbitrage.** Any reimbursed amounts will not be used as part of an attempt to avoid the arbitrage rebate or yield restriction rules. In addition, the reimbursed amounts or amounts corresponding to the reimbursed amounts will not be used (directly or indirectly) within one year after the date of the reimbursement allocation in a manner that results in the creation of Replacement Proceeds of the Bonds or of another issue.

(f) **Exceptions.** The Reimbursement Period Requirement does not apply to (i) Preliminary Expenditures to the extent such expenditures are not in excess of 20 percent of the Sale Proceeds of the Bonds, (ii) costs of issuance, and (iii) an amount not in excess of \$100,000. The term “Preliminary Expenditures” includes architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs incurred prior to commencement of construction, rehabilitation, or acquisition of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

3.13 Program Investment. The loan of Sale Proceeds of the Bonds under the Loan Agreement will be treated as a “program investment” of the City within the meaning of Treasury Regulation Section 1.148-1(b). The governmental program of the City involves the origination or acquisition of Purpose Investments. At least 95 percent of the cost of the Purpose Investments acquired under the program represents one or more loans to a substantial number of persons representing the general public, states or political subdivisions, 501(c)(3) Organizations, persons who provide housing and related facilities, or any combination of the foregoing. At least 95 percent of the receipts from the Purpose Investments are used by the City (a) to pay principal, interest, or redemption prices on issues that financed the program, (b) to pay or reimburse administrative costs of those issues or of the program, (c) to pay or reimburse anticipated future losses directly related to the program, (d) to finance additional Purpose Investments for the same general purposes of the program, or (e) to redeem and retire City obligations at the next earliest possible date of redemption. Neither the Borrower nor any Related Party shall purchase the City’s Bonds in an amount related to the amount of the Loan Agreement.

3.14 Other Payments Relating to the Bonds. The City will not receive any fees in connection with the issuance of the Bonds except the following: (a) the closing fees payable at Closing, and (b) a legal reserve fee of \$8,145.47. Except for (x) the receipt of payments under the Loan Agreement as described above, (y) the payment of issuance costs relating to the Bonds, and (z) the payment of fees and expenses of the Fiscal Agent, no consideration, in cash or in kind, is being or will be paid from the proceeds of the Bonds by any person to any person in connection with or relating to issuing, carrying or redeeming the Bonds or issuing, carrying or repaying the Borrower’s obligations under the Loan Agreement.

3.15 Yield on the Loan Agreement. Debt service payments under the Loan Agreement will be due not later than the day and in the same amount as payments are due on the Bonds. The

Yield on the Loan Agreement (taking into account the portion of the City's fee that is not allocable to costs incurred and to be incurred by the City in connection with the issuance of the Bonds) described in 3.14 does not exceed the Yield on the Bonds by more than 1.5 percent.

SECTION 4 YIELD AND YIELD LIMITATIONS

4.1 In General. No Gross Proceeds will be invested at a yield in excess of the Yield on the Bonds, except as expressly set forth below or to the extent the City and the Borrower are permitted to and make yield reduction payments to the United States pursuant to Treasury Regulation §1.148-5(c).

4.2 Yield Computation. The Yield on the Bonds is the discount rate that, when used in computing the present value as of the first day of the Computation Period of all payments of principal, interest and fees for qualified guarantees (if any) on the Bonds that are attributable to the Computation Period, produces an amount equal to the present value, using the same discount rate, of the aggregate issue price of the Bonds as of the first day of the Computation Period. The yield on Investments purchased with Gross Proceeds of the Bonds is computed using the same compounding interval and financial conventions used to compute yield on the Bonds. The yield on an Investment is the discount rate that, when used in computing the present value as of the date the Investment is first allocated to the Bonds of all unconditionally payable Receipts from the Investment, produces an amount equal to the present value of all unconditionally payable Payments for the Investment.

4.3 Issue Price; Yield. (a) The issue price of the Bonds, based on certain information provided by the Bondholder (see Exhibit C), will be \$11,900,000, which is equal to the maximum aggregate principal amount of the Series 2023A Bonds (in the amount of \$7,000,000) plus the maximum aggregate principal amount of the Series 2023B Bonds (in the amount of \$4,900,000).

(b) The Yield on the Bonds (as calculated in Section 4.2 above) will be determined based upon the interest rate on the Bonds in effect from time to time, which will be a fixed rate determined in the manner set forth in the Bond Issuance Agreement.

4.4 Construction Fund. Sale Proceeds deposited in the Construction Fund will be used to pay costs of the Project and may be invested without regard to yield restriction for up to three years beginning on the Issue Date and thereafter at a yield not in excess of the Yield on the Bonds plus one-eighth of one percent.

4.5 Bona Fide Debt Service Fund. Although no such fund is established under the Bond Issuance Agreement as of the Issue Date, in the event that such fund is established after such date while the Bonds are outstanding, any Gross proceeds investment in a "bona fide debt service fund" may be invested without regard to yield restriction for a period of up to 13 months. Generally, a fund will qualify as a bona fide debt service fund if (a) it is used primarily to achieve a proper matching of revenues with principal and interest payments within each bond year and (b) the fund is depleted at least once each bond year, except for a reasonable carryover amount not to exceed the greater of (i) the earnings on the fund for the immediately preceding bond year or (ii) one-twelfth of the principal and interest payments on the issue for the immediately preceding

bond year. If only a portion of a fund qualifies as a bona fide debt service fund, that portion (but only that portion) is entitled to the 13-month temporary period described above.

4.6 **Tax-Exempt Obligations.** Proceeds of the Bonds invested in Tax-Exempt Obligations (to the extent permitted by the Bond Issuance Agreement and the Loan Agreement) may be invested without regard to yield restriction.

4.7 **Minor Portion.** Proceeds of the Bonds in an amount not to exceed the lesser of five percent of the Sale Proceeds of the Bonds or \$100,000 may be invested without regard to yield restriction.

SECTION 5

REBATE REQUIREMENT, CALCULATIONS AND PAYMENT

5.1 **In General.** Unless the Bonds qualify for an exception to the rebate requirement described in section 5.5 below (each a “**Rebate Exception**”), the Code requires the City to rebate at least 90 percent of any arbitrage earned on the Bonds every five years beginning on the Issue Date. In addition, the City must rebate 100 percent of any arbitrage earned on the Bonds once the Bonds are retired. Section 148(f) of the Code generally provides that the rebatable arbitrage is the sum of (a) the excess of (i) the amount earned on Nonpurpose Investments (other than Nonpurpose Investments that are attributable to the excess in this subsection (a)), over (ii) the amount that would have been earned on such Nonpurpose Investments if the yield on such Nonpurpose Investments was equal to the yield on the Bonds; and (b) any income attributable to the excess described in subsection (a). In order to satisfy these requirements of the Code, the City, the Borrower and the Fiscal Agent shall comply with the requirements set forth in this Section 5 (the “**Rebate Requirement**”).

5.2 **Computation of Rebatable Arbitrage.** The amount of arbitrage that must be rebated on any Computation Date is the excess of the Future Value of all Receipts over the Future Value of all Payments. The City and the Borrower must determine the Future Value (using the Yield on the Bonds) to a Computation Date all the Receipts and also Future Value all Payments. If the Future Value of the Receipts exceeds the Future Value of the Payments, the excess equals the rebate amount due (the “**Rebate Amount**”). The Borrower shall make, or cause to be made, calculations of the Rebate Amount on each Computation Date.

5.3 **Relationship to Yield Restriction.** The requirements of this Section 5 relating to the Rebate Requirement apply to all Gross Proceeds, regardless of whether or not such amounts must be yield restricted. Thus, an amount of Gross Proceeds may be unrestricted as to yield but will, notwithstanding that characterization, be subject to the Rebate Requirement. Similarly, an amount of Gross Proceeds may be restricted as to yield but will, notwithstanding that characterization, also be subject to the Rebate Requirement.

5.4 **Gross Proceeds Subject to Rebate.** Except as provided in Section 5.6 hereof, only the Construction Fund contains or will contain Gross Proceeds of the Bonds subject to the Rebate Requirement. The City and the Borrower acknowledge that, subsequent to the Issue Date, other Gross Proceeds of the Bonds may arise in addition to the Gross Proceeds described in the preceding

sentence, and such Gross Proceeds would be subject to the provisions of this Tax Compliance Agreement.

5.5 **Rebate Exceptions.** The Code contains the following exceptions to the general application of the Rebate Requirement that may be applicable to the Bonds:

(a) **Six-Month Exception.** If all of the Gross Proceeds of the Bonds (excluding amounts in a bona fide debt service fund) are expended within the six-month period beginning on the Issue Date, the calculation of the Rebate Amount shall be made by treating any Gross Proceeds that arise after the six-month period as the only Gross Proceeds of the Bonds.

(b) **Eighteen-Month Exception.** If all of the Gross Proceeds of the Bonds (excluding amounts in a bona fide debt service fund) are expended within the prescribed spending periods set forth below, the calculation of the Rebate Amount shall be made by treating any Gross Proceeds that arise after the 18-month spending period as the only Gross Proceeds of the Bonds. The Gross Proceeds must be expended in accordance with the following schedule: (i) at least 15 percent within 6 months of the Issue Date; (ii) at least 60 percent within 12 months of the Issue Date; and (iii) 100 percent within 18 months of the Issue Date (or, 95 percent within 18 months and 100 percent within 30 months, if the unexpended amounts at the end of 18 months represent reasonable retainage to ensure completion of a construction contract). Amounts qualify as reasonable retainage if retained by the City and the Borrower for reasonable business purposes relating to the property being financed with the Proceeds of the Bonds. In addition, a *de minimis* exception is provided from the final spending period requirement if the City and the Borrower exercise due diligence to complete the Project and the unexpended amount does not exceed the lesser of three percent of the issue price of the Bonds, or \$250,000. For purposes of determining compliance with each of the first two spending periods, Gross Proceeds of the Bonds include the amount of investment earnings (if any) that the City and the Borrower reasonably expect as of the Issue Date.

(c) **Bona Fide Debt Service Fund.** Under Section 148(f)(4)(A) of the Code; a bona fide debt service fund shall not be taken into account in computing rebate for any bond year if the earnings on the fund for that bond year are less than \$100,000.

(d) **Tax-Exempt Obligation Exception.** To the extent that any Gross Proceeds are invested in Tax-Exempt Obligations, the earnings thereon would not be considered when calculating the Rebate Amount. To the extent that 100 percent of Gross Proceeds are continually invested in Tax-Exempt Obligations, all the Gross Proceeds would be exempt from the Rebate Requirement.

(e) **No Arbitrage Rebate Elections.** No elections regarding arbitrage rebate computations are being made by the City or the Borrower on the Issue Date.

5.6 **Payment of Rebate Amount.** The City must pay to the United States Department of the Treasury (a) not later than 60 days after each Installment Computation Date, a payment that, when aggregated with any prior payments, ensures that the City has paid to the United States Department of the Treasury an amount that is equal to at least 90 percent of the Rebate Amount as of the Computation Date and (b) not later than 60 days after the Final Computation Date, an

amount that, when aggregated with any prior payments, is equal to 100 percent of the Rebate Amount as of the Final Computation Date. Any such payment will be provided by the Borrower, and the City is not obligated to use any of its own moneys for payment of any Rebate Amount. The Fiscal Agent agrees to remit each payment on behalf of the City.

5.7 **Procedure for Remittance.** Each payment of the Rebate Amount shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201 on or before the date such payment is due, and shall be accompanied by Form 8038-T, Arbitrage Rebate and Penalty in Lieu of Arbitrage Rebate.

SECTION 6 ALLOCATION AND ACCOUNTING RULES

6.1 **In General.** In applying the provisions of this Tax Compliance Agreement, the City, the Borrower, and the Fiscal Agent must account for Investments and expenditures of Gross Proceeds of the Bonds using a reasonable, consistently applied accounting method. Deviations from this accounting method that occur for bona fide governmental purposes shall be permitted.

6.2 **Investments.** Upon a purchase or sale of an Investment, Gross Proceeds of the Bonds may not be allocated to a payment for that Investment in an amount greater than, or to a receipt from that Investment in an amount less than, the fair market value (adjusted for Qualified Administrative Costs) of the Investment as of the purchase or sale date. To satisfy the requirements of this Section 6.2, the City and the Borrower shall comply with the procedures set forth on Exhibit B. Gross Proceeds of the Bonds should be invested at all times in Investments permitted under this Tax Compliance Agreement, the Bond Issuance Agreement, and the Loan Agreement.

6.3 **Expenditures.** Reasonable methods of accounting for expenditures of Gross Proceeds and other amounts from different sources include any of the following methods if consistently applied: a specific tracing method; a Gross Proceeds spent first method; a first-in, first-out method; or a ratable allocation method. An allocation of Gross Proceeds of the Bonds to an expenditure must involve an outlay of cash reasonably expected to occur not later than five banking days after the date the allocation of Gross Proceeds to the expenditure is made. The City and the Borrower must allocate Proceeds of the Bonds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the Project is placed in service, but in no event later than the earlier of the date 60 days after the fifth anniversary of the Issue Date or the date 60 days after the retirement of the Bonds.

6.4 **Commingled Funds.** Neither the City nor the Borrower will direct the Fiscal Agent to invest any of the Gross Proceeds in a Commingled Fund that does not comply with the requirements set forth on attached **Exhibit E**.

6.5 **Grants.** Neither the City nor the Borrower will use any of the Gross Proceeds to make any grants (as defined in Treasury Regulation §1.148-6(d)(4)(iii)).

6.6 **Universal Cap.** In general, Gross Proceeds will cease to be allocated to the Bonds if the amount of Gross Proceeds exceeds the value of the outstanding principal amount of the

Bonds (the “**Universal Cap**”). The City and the Borrower reasonably expect as of the Issue Date that the Universal Cap will not reduce the amount of Gross Proceeds allocable to the Bonds during the term of the Bonds. The Universal Cap need not be applied to the Bonds on any date if (a) no Replacement Proceeds are allocable to the Bonds, other than Replacement Proceeds in a bona fide debt service fund or a reasonably required reserve or replacement fund; (b) the Sale Proceeds of the Bonds are expended within the allowable three-year temporary period or are deposited in a refunding escrow and expended as originally expected; (c) the Bonds does not refund a prior issue that has unspent proceeds; (d) no portion of the Bonds are retired prior to the date on which such portion is treated as retired in computing the yield on the Bonds; and (e) no Proceeds of the Bonds are invested in qualified student loans or qualified mortgage loans.

6.7 Payments to Related Parties. Any payment of Gross Proceeds of the Bonds to a Related Party of the Borrower is not an expenditure of those Gross Proceeds.

6.8 Separate Accounts. In order to perform the calculations required by the Code, it is necessary to separately account for all of the Gross Proceeds and each Investment acquired therewith. The City, the Borrower, and the Fiscal Agent, as the case may be, shall establish separate sub-accounts or take other accounting measures in order to account fully and with specific City for all Gross Proceeds and Investments acquired therewith.

6.9 Records. The Fiscal Agent shall keep and retain until six years after the Bonds are paid in full adequate records pertaining to the investment of Gross Proceeds of the Bonds and moneys in the Rebate Fund, including the following with respect to each Investment: (a) purchase price; (b) purchase date; (c) type of Investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation. If any Investment becomes Gross Proceeds of the Bonds on a date other than the date such Investment is purchased, the records required to be kept shall include the fair market value of such Investment on the date it becomes Gross Proceeds. If any Investment is retained after the date the Bonds are retired, the records required to be kept shall include the fair market value of such Investment on the date the Bonds are retired.

SECTION 7 VALUATION OF INVESTMENTS

7.1 Fair Market Value Requirement. Except as provided in Sections 7.3 and 7.4 hereof, an Investment must be valued at fair market value on the date that it is first allocated to the Bonds or first ceases to be allocated to the Bonds as a consequence of a “deemed” acquisition or “deemed” disposition of such Investment (*e.g.*, if an existing Investment is deposited into the Bond Fund, such Investment must be valued at fair market value as of the date of deposit into such fund). To satisfy the requirements of this Section 7.1, the City and the Borrower shall comply with the procedures set forth on Exhibit E.

7.2 Valuation Options. Except as provided in Section 7.1 hereof, the value of an Investment (including a Payment or Receipt on the Investment) on a date must be determined using one of the following valuation methods consistently for all purposes of Section 148 of the Code to that Investment on that date: (a) a Plain Par Investment may be valued at its outstanding stated principal amount, plus any accrued unpaid interest on that date; (b) a fixed rate Investment may be

valued at its present value on that date; and (c) an Investment may be valued at its fair market value on that date.

7.3 Valuation of Yield Restricted Investments. Any Investment subject to yield restriction must be valued at present value.

7.4 Other Exceptions to Fair Market Value Requirement. The fair market value requirement of Section 7.1 hereof does not apply to certain Investment allocations for purposes of the Universal Cap and certain Investments in a Commingled Fund.

SECTION 8 OTHER REQUIREMENTS FOR TAX EXEMPTION

8.1 Single Issue. No other obligations of the City sold within 15 days of the Bonds are being issued pursuant to the same plan of financing as the Bonds or are reasonably expected to be paid from substantially the same source of funds as the Bonds.

8.2 No Federal Guarantee. No portion of the payment of principal or interest on the Bonds, or any credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof). No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof). No Gross Proceeds shall be invested in federally insured deposits or accounts or in any obligation the payment of principal of or interest on which is (in whole or in part) a direct obligation of, or guaranteed by, the United States (or any agency or instrumentality thereof). Notwithstanding the foregoing, the City or the Borrower may invest the Gross Proceeds of the Bonds in any of the following:

(a) Any Investment guaranteed by the Federal Housing Administration, the Veterans Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association, or the Bonneville Power City pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984;

(b) Any Investment described in the following subparagraphs:

- (i) Investments during an initial temporary period until such Sale Proceeds are needed for the purpose for which the Bonds were issued;
- (ii) Investments of amounts in a bona fide debt service fund, including the Bond Fund;
- (iii) Investments of amounts in a reasonably required reserve fund;
- (iv) Investments in obligations issued by the United States Treasury;

(v) Investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act (as amended by Section 511 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, or any successor provision); or

(vi) Any Investments held in a refunding escrow (as defined in Treasury Regulation Section 1.148-1).

8.3 Registration Requirement. The Bonds are being issued in registered form within the meaning of Section 149(a) of the Code.

8.4 Remedial Actions. The City and the Borrower hereby (a) acknowledge that the disposition and certain uses of the Project may require remediation in accordance with Treasury Regulation Section 1.142-2, (b) covenant to track the use and disposition of all Project property as required by the Code and Regulations and to comply with the remediation requirements of Treasury Regulation Section 1.142-2, and (c) agree that the City may rely on the Borrower to monitor the use and disposition of Project property.

8.5 Written Procedures. The execution and delivery of this Tax Compliance Agreement by the City and the Borrower will be treated by the City and the Borrower as the establishment of written procedures (a) to ensure that any Bonds that becomes a “nonqualified bond” within the meaning of Treasury Regulation Section 1.142-2 is identified and remediated in accordance with the requirements of the Code and Regulations, including the remediation provisions of Treasury Regulation Section 1.142-2, and (b) to monitor compliance with the arbitrage, yield restriction, and rebate requirements of Code Section 148. By executing this Tax Compliance Agreement, the City and the Borrower agree that the City may rely upon the Borrower’s compliance with the covenants and procedures described in this Tax Compliance Agreement, including all Exhibits hereto, for purposes of maintaining the tax-exempt status of interest on the Bonds and complying with the requirements of Form 8038. See **Exhibit F** hereto.

8.6 Information Reporting. The City and the Borrower have reviewed the Internal Revenue Service Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues, to be filed in connection with the issuance of the Bonds, a copy of which is attached hereto as **Exhibit G**, and all the information contained therein is, to the best of the City’s and the Borrower’s knowledge, true and complete. The parties hereto understand that this form must be filed no later than the fifteenth day of the second calendar month after the close of the calendar quarter in which the Bonds are issued, at the Internal Revenue Service Center, Ogden, Utah 84201.

8.7 Public Approval. The City has complied with all public approval requirements with respect to the Bonds, as set forth in Section 147(f) of the Code. See **Exhibit H** hereto.

8.8 Volume Cap. The City has allocated volume cap from its 2020 allocation to the Bonds and the Project, as evidenced by the Letter of Allocation, attached hereto as **Exhibit I**.

SECTION 9
CERTIFICATE OF BORROWER REGARDING THE PROJECT

9.1 **Project Certificate.** On the Issue Date, the Borrower is executing a Project Certificate, attached as **Exhibit J** hereto, with respect to the Project that is expected to be financed with proceeds of the Bonds (the "**Project Certificate**"), which Project Certificate includes representations, certifications and covenants of the Borrower regarding the Project and the use of the Proceeds of the Bonds. The Borrower covenants that it will take all actions that may be necessary to cause all representations, certifications and covenants in the Project Certificate with respect to future events to be true.

9.2 **City Reliance.** The Borrower acknowledges and agrees that the City is relying upon information provided by the Borrower herein and in the Project Certificate as the basis for the City's representations and certifications herein. The Borrower acknowledges that the City has not made an independent investigation as to any such information provided by the Borrower.

SECTION 10
CONCERNING THE FISCAL AGENT

10.1 **Rights and Obligations.** The rights and obligations of the Fiscal Agent are set forth in the Bond Issuance Agreement.

SECTION 11
MISCELLANEOUS PROVISIONS

11.1 **Notices.** All notices, demands, communications and requests which may or which are required to be given hereunder or by any party hereto shall be deemed given on the date on which the same shall have been mailed by registered or certified mail, postage prepaid, addressed as provided in Section 12.1 of the Bond Issuance Agreement.

11.2 **Severability.** If any clause, provision or section of this Tax Compliance Agreement is ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or section shall not affect any of the remaining clauses, sections or provisions hereof.

11.3 **Counterparts.** This Tax Compliance Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

11.4 **Successors and Assigns.** The terms, provisions, covenants and conditions of this Tax Compliance Agreement shall bind and inure to the benefit of the respective successors and assigns of the City, the Borrower and the Fiscal Agent.

11.5 **Headings.** The headings of this Tax Compliance Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Tax Compliance Agreement.

11.6 **Governing Law.** This Tax Compliance Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

11.7 Survival of Payment or Defeasance. Except as provided in the next sentence, this Tax Compliance Agreement shall terminate on the date the Bonds has been fully paid and retired. Notwithstanding anything in this Tax Compliance Agreement, the Bond Issuance Agreement, or the Loan Agreement to the contrary, the obligation of the City, the Borrower and the Fiscal Agent to comply with the Rebate Requirement contained in Section 5, the records requirement contained in Section 6.9 and the records requirement described on Exhibit E of this Tax Compliance Agreement shall survive the payment or defeasance of the Bonds.

11.8 Amendments. This Tax Compliance Agreement sets forth the information, representations and procedures necessary for Co-Bond Counsel to render their opinions regarding the exclusion of interest on the Bonds from gross income for purposes of federal income taxation and may be amended or supplemented from time to time to maintain the tax exemption only with the approval of Co-Bond Counsel.

Notwithstanding any other provision herein, the covenants and obligations contained herein may be and shall be deemed modified to the extent the City, the Borrower and the Fiscal Agent secure an opinion of Bond Counsel that any action required hereunder is no longer required or that some further action is required in order to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF the undersigned have hereunto affixed their official signatures as of the day and year first set forth above.

CITY OF CHICAGO


By: 
Name: Jennie Huang Bennett
Title: Chief Financial Officer

(additional signatures follow on subsequent pages)

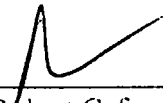
CHURCHVIEW SUPPORTIVE LIVING PRESERVATION, LP,
an Illinois limited partnership

By: Churchview Supportive Living Preservation, LLC, an Illinois limited liability company,
its general partner

By: Greater Southwest Development Corporation, an Illinois not-for-profit, its sole member

By: 
Name: Adrian Soto
Title: Its Executive Director

**ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Fiscal Agent**

By: 
Name: Robert Cafarelli
Title: Vice President, Zions Division Bank

**EXHIBIT A:
DEFINITIONS**

“501(c)(3) Organization” shall mean an organization that is described in Section 501(c)(3) of the Code, which is exempt from federal income taxation under Section 501(a) of the Code, or corresponding provisions of federal income tax laws from time to time in effect.

“Bond Counsel” shall mean either BurgherGray LLP or Sanchez Daniels & Hoffman LLP, which firms are acting as co-bond counsel with respect to the Bonds, or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

“Bond Issuance Agreement” shall mean the Bond Issuance Agreement among the City, Legacy Bank & Trust Company, as purchaser of the Bonds and Zions Bancorporation, National Association, as fiscal agent, dated as of March 1, 2023.

“Bond Year” shall mean the one-year period that ends on the day selected by the City and the Borrower. The first and last Bond Years may be short periods. If no day is selected by the City and the Borrower before the earlier of the final maturity date of the Bonds or the date that is five years after the Issue Date, Bond Years end on each anniversary of the Issue Date and on the final maturity date.

“Bondholder” shall mean Legacy Bank & Trust Company.

“Code” shall mean the Internal Revenue Code of 1986.

“Computation Date” shall mean an Installment Computation Date or the Final Computation Date.

“Computation Date Credit” shall mean on the last day of each Bond Year with respect to the Bonds during which there are amounts allocated to Gross Proceeds of the Bonds that are subject to the rebate requirement, and on the final maturity date of the Bonds, a credit of \$1,000, as adjusted from time to time.

“Controlled Group” shall mean a group of entities controlled directly or indirectly by the same entity or group of entities. The determination of direct control is made on the basis of all the relevant facts, and circumstances. Generally, one entity or group of entities (the **“Controlling Entity”**) controls another entity or group of entities (the **“Controlled Entity”**) if the Controlling Entity possesses either of the following rights or powers and the rights or powers are discretionary and non-ministerial:

(i) the right or power both to approve and to remove without cause a controlling portion of the governing body of the Controlled Entity; or

A-1

(ii) the right or power to require the use of funds or assets of the Controlled Entity for any purpose of the Controlling Entity.

If a Controlling Entity controls a Controlled Entity under this test, then the Controlling Entity also controls all entities controlled, directly or indirectly, by the Controlled Entity.

“Final Computation Date” shall mean the date the last obligation that is part of the Bonds are discharged.

“Future Value” shall mean, with respect to a Payment or Receipt, at the end of any period an amount determined using the economic accrual method that equals the value of such Payment or Receipt when paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over such period at a rate equal to the yield on the Bonds, using the same compounding interval and financial conventions used to compute the Yield on the Bonds.

“Gross Proceeds” shall mean any Proceeds and Replacement Proceeds of the Bonds.

“Guaranteed Investment Contract” shall mean any Nonpurpose Investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, and also includes any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

“Installment Computation Date” shall mean the last day of the fifth Bond Year and each succeeding fifth Bond Year.

“Investment” shall mean any Investment Property and any Tax-Exempt Obligation.

“Investment Proceeds” shall mean any amounts actually or constructively received from investing Sale Proceeds of the Bonds and investment earnings thereon.

“Investment Property” shall mean any security or obligation (other than Tax-Exempt Obligations), any annuity contract and any other investment-type property.

“Issue Date” shall mean March 8, 2023, the first date on which the City receives in excess of \$50,000 of the purchase price in exchange for delivery of the evidence of indebtedness representing any portion of the Bonds included in the issue.

“Loan Agreement” shall mean the Bond Loan Agreement among the City, the Bondholder, and the Borrower dated as of March 1, 2023.

Nonpurpose Investment shall mean any Investment Property (other than a Purpose Investment) in which Gross Proceeds are invested or allocated.

“Payments” shall mean:

(i) amounts actually or constructively paid to acquire a Nonpurpose Investment (or treated as paid to a Commingled Fund as described in Exhibit E to this Tax Compliance Agreement);

(ii) for a Nonpurpose Investment that is first allocated to the Bonds on a date after it is actually acquired (*e.g.*, an Investment that becomes allocable to Replacement Proceeds) or that becomes subject to the rebate requirement on a date after it is actually acquired the value of the Investment on that date;

(iii) for a Nonpurpose Investment that was allocated to the Bonds at the end of the preceding computation period, the value of that Investment at the beginning of the computation period;

(iv) on the last day of each Bond Year during which there are amounts allocated to Gross Proceeds of the Bonds that are subject to the rebate requirement, and on the final maturity date, a computation credit of \$1,000; and

(v) yield reduction payments on Nonpurpose Investments made pursuant to Treasury Regulation Section 1.148-5(c).

“Plain Par Investment” shall mean an Investment that is an obligation (i) issued with not more than a *de minimis* amount (as defined in Treasury Regulation Section 1.148-1(b) of original issue discount or premium, or, if acquired on a date other than the Issue Date, acquired with not more than a *de minimis* amount of market discount or premium, (ii) issued for a price that does not include accrued interest other than pre-issuance accrued interest, (iii) that bears interest from the Issue Date at a single, stated, fixed rate or that is a variable rate debt instrument under Section 1275 of the Code, in each case with interest unconditionally payable at least annually, and (iv) that has a lowest stated redemption price that is not less than its outstanding stated principal amount.

“Proceeds” shall mean any Sale Proceeds and Investment Proceeds of the Bonds.

“Project Certificate” shall mean the Project Certificate being executed by the Borrower on the Issue Date, and attached to this Tax Compliance Agreement as Exhibit J, wherein the Borrower makes certain representations, certifications and covenants regarding the Project described therein and the Bonds.

“Project Period” shall mean the period beginning on the Issue Date and ending on the date in which the Project is deemed complete and ready to be placed in service.

“Purpose Investment” shall mean an Investment that is acquired to carry out the governmental purpose of bonds issued by the City.

“Qualified Administrative Costs” shall mean reasonable, direct administrative costs, other than carrying costs, such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs. General overhead costs and similar indirect costs of the City and the Borrower such as employee salaries and office expenses and costs associated with computing the Rebate Amount are not Qualified Administrative Costs. In general, administrative costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of tax-exempt obligations. Qualified Administrative Costs include all reasonable administrative costs, without regard to the limitation on indirect costs described above, incurred by (i) a publicly offered regulated investment company (as defined in Section 67(c)(2)(B) of the Code), and (ii) a widely held commingled fund in which no investor in the fund owns more than ten percent of the beneficial interest in the fund. For a guaranteed investment contract and investments purchased for a yield restricted defeasance escrow, a broker’s commission or similar fee paid on behalf of either an issuer, conduit borrower, or the provider is a Qualified Administrative Cost to the extent that the present value of the commission does not exceed a reasonable amount or qualifies for the safe harbor set forth in Treasury Regulation § 1.148-5(e)(2)(iii).

“Receipts” shall mean:

(i) amounts actually or constructively received from a Nonpurpose Investment (including amounts treated as received from a Commingled Fund), such as earnings and return of principal;

(ii) for a Nonpurpose Investment that ceases to be allocated to the Bonds before its disposition or redemption date (*e.g.*, an Investment that ceases to be allocable to the Bonds pursuant to the universal cap under Treasury Regulation Section 1.148-6) or that ceases to be subject to the rebate requirement on a date earlier than its disposition or redemption date (*e.g.*, an Investment allocated to a fund initially subject to the rebate requirement but that subsequently qualifies as a bona fide debt service fund), the value of that Nonpurpose Investment on that date; and

(iii) for a Nonpurpose Investment that is held at the end of a computation period, the value of that Investment at the end of that period.

“Regulations and Treasury Regulations” shall mean the Federal Income Tax Regulations, as in effect from time to time, together with temporary and proposed regulations issued under the Code.

“Related Party” shall mean, in reference to a governmental unit or a 501(c)(3) Organization, any member of the same Controlled Group, and in reference to any person that is not a governmental unit or 501(c)(3) Organization, a related person (as defined in Section 144(a)(3) of the Code).

“Replacement Proceeds” shall mean (i) amounts in debt service funds, redemption funds, reserve funds, replacement funds or any similar funds, to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Bonds, (ii) any amounts held in funds or otherwise for which there is provided, directly or indirectly, a reasonable assurance that such amounts will be available to pay principal or interest on the Bonds or the obligations under any credit enhancement or liquidity device with respect to the Bonds, even if the City and the Borrower encounter financial difficulties, including any negative pledge to the extent described in Treasury Regulation Section 1.148-1(c)(3)(ii), and (iii) any other amounts treated as Replacement Proceeds under Treasury Regulation Section 1.148-1(c).

“Tax Agreement” shall mean this Tax Compliance Agreement.

“Tax-Exempt Obligations” shall mean (i) obligations described in Section 103(a) of the Code, the interest on which is excludable from gross income of any owner thereof for federal income tax purposes, (ii) interests in regulated investment companies to the extent that at least 95 percent of the income to the holder of the interest is interest that is excludable from the gross income of any owner thereof for federal income tax purposes and (iii) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. part 344.

“Yield on the Bonds” shall mean the yield on the Bonds as defined in Section 4.1 of this Tax Compliance Agreement.

EXHIBIT B

COSTS OF PROJECT

Uses:

ITEM	QUALIFIED AMOUNT (\$)	UNQUALIFIED AMOUNT (\$)
Building Acquisition	4,000,000	
Acquisition: Title and Transfer Taxes	90,942	
Construction: Net Construction Costs	5,579,966	
Construction: Building Permits	23,775	
Construction: Contingency	352,038	
Construction: Builders Risk Insurance	12,609	
Construction: Tenant Relocation	73,854	
Prof: Architect – Design	308,209	
Predevelop Loan		5,406
Prof: Legal - Organizational	101,526	19,888
Prof: Accountant - General		125
Prof: Plats & Surveys	4,000	
Prof: Appraisal	5,000	
Prof: Environmental Reports	13,287	
Prof: PNA Report	6,500	
Prof: Market Study	5,250	
Prof: Title & Recording Fees	41,022	
Prof: Financial and Construction	115,037	
Prof: Consult Construction Admin	52,544	
LenFee: Plan Review & Appraisal	10,000	
LenFee: LIHTC Reservation Fee & IAHTC		81,636
Len. Fee: Lender Legal Costs	7,858	7,857
LenFee: Construction Points	119,000	
LenFee: Construction Inspection	15,300	
Len. Fee: Bond Costs: All		297,778
LenFee: Construction interest-rate lock	38,842	
Res: Lender Application Fees		750
Construction interest reserve	510,000	
Totals	11,486,560	413,440

EXHIBIT B:
PART 2
DRAW-DOWN SCHEDULE

Month/Year	Series 2023A Bond Draw Amount (\$)	Series 2023B Bond Draw Amount (\$)
Issue Date	1,085,065	4,390,000*
April 2023	120,396	
May 2023	398,878	
June 2023	988,508	
July 2023	1,385,551	
August 2023	1,388,515	
September 2023	1,203,460	
October 2023	429,628	
November 2023		
Total Draws	7,000,000	4,390,000

*Portion of Series 2023B Bonds not being drawn, is not subject to requisition, and will be deposited on the Closing Date into the Capitalized Interest Fund and used to pay interest on the Bonds during the Project period

EXHIBIT C
CERTIFICATE OF BONDHOLDER

March 8, 2023

Legacy Bank & Trust Company (the “**Bondholder**”), hereby certifies as follows in connection with the sale by the City of Chicago (the “**City**”) of its \$7,000,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023A (the “**Series 2023A Bonds**”) and its \$4,900,000 Multi-Family Housing Revenue Bonds (Churchview Homes Project), Series 2023B (the “**Series 2023B Bonds**” and collectively with the Series 2023A Bonds, the “**Bonds**”):

1. On March 8, 2023 (the “**Sale Date**”), the Bondholder, the City and Zions Bancorporation, National Association, as fiscal agent (the “**Fiscal Agent**”) executed and delivered a Bond Issuance Agreement dated as of March 1, 2023 relating to the issuance and sale of the Bonds.

2. The Bonds are being purchased by the Bondholder at a price equal to 100 percent of the principal amount thereof. To the best knowledge of the Bondholder, the price of 100 percent of the principal amount of the Bonds does not exceed than the fair market value of the Bonds as of the Sale Date.

3. The Bondholder is the first buyer of the Bonds and is buying the Bonds as an investment for its own account (or for the account of related parties) with no intention to resell the Bonds; provided, however, that the Bondholder may sell or assign the Bonds, or participation in the Bonds as provided in and subject to the limitations of the Bond Issuance Agreement.

4. The Bondholder is being paid an origination fee (the “**Loan Fee**”) equal to 1% of the face amount of the Bonds (\$119,000) on the date of issuance of the Bonds and a fee equal to 1% of the Series 2023B Bonds (\$49,000) upon the conversion of the Series 2023 Bonds upon completion of the Project. The Loan Fee is a fee for the payment of services or property provided by the Bondholder and does not represent a payment in the nature of points.

[Remainder of Page Intentionally Left Blank]

All terms not defined herein shall have the same meaning as in the Bond Issuance Agreement or the Tax Compliance Agreement to which this Exhibit is attached. We understand that Bond Counsel may rely upon this certification, among other things, in providing their respective opinions that interest on the Bonds are excluded from gross income for federal income tax purposes; provided, however, that nothing herein represents our interpretation of any laws and, in particular, regulations under Section 148 of the Code.

Dated the date first set forth above.

LEGACY BANK & TRUST COMPANY,
as Bondholder


By: 
Name: Eric Leonard
Title: Executive Vice President

EXHIBIT D
DECLARATION OF INTENT OF CITY

[See Attached]

STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I, ANDREA M. VALENCIA, City Clerk of the City of Chicago in the County of Cook and State of Illinois, DO HEREBY CERTIFY that the annexed and foregoing is a true and correct copy of that certain ordinance now on file in my office regarding the Declaration of Official Intent to Issue Multi-Family Housing Revenue Bonds to Greater Southwest Development Corporation for Rehabilitation and Development of Affordable Housing for Seniors at 2626 W. 63rd St. Filed under Document Number O2022-1708.

I DO FURTHER CERTIFY that the said ordinance was passed by the City Council of the said City of Chicago on the twenty-second (22nd) day of June, 2022.

I DO FURTHER CERTIFY that the vote on the question of the passage of the said ordinance by the said City Council was taken by yeas and nays and recorded in the Journal of the Proceedings of the said City Council, and that the result of said vote so taken was as follows, to wit:

Ycas 49 Nays 0

I DO FURTHER CERTIFY that the said ordinance was delivered to the Mayor of the said City of Chicago after the passage thereof by the said City Council, without delay, by the City Clerk of the said City of Chicago, and that the said Mayor failed to return the said ordinance to the said City Council with her written objections thereto at the next regular meeting of the said City Council occurring not less than five (5) days after the passage of the said ordinance.

I DO FURTHER CERTIFY that the original, of which the foregoing is a true copy, is entrusted to my care for safekeeping, and that I am the lawful keeper of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City of Chicago aforesaid, at the said City, in the County and State aforesaid, this sixth (6th) day of December, 2022.

[T.P.]

Andrea M. Valencia
ANDREA M. VALENCIA, City Clerk

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available for persons of low- and moderate-income; and

WHEREAS, The City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, Greater Southwest Development Corporation, an Illinois not-for-profit corporation (the "Developer"), through a to-be-formed limited partnership (the "Borrower"), of which a to-be-formed limited liability company solely owned by the Developer is anticipated to be the general partner, intends to acquire certain property located generally at 2626 West 63rd Street in the City (the "Property"); and

WHEREAS, The Developer has proposed the rehabilitation of an existing very low-income housing development project for seniors on the Property consisting of one building containing approximately 86 rental units together with certain common areas, associated

parking spaces and other building amenities in order to properly preserve and enhance the existing affordable housing, as well as to increase energy efficiency (the "Project"); and

WHEREAS, The Project is expected to be financed in whole or in part with the proceeds of the hereinafter defined Bonds; and

WHEREAS, The Developer has requested that the City issue multi-family housing revenue bonds, notes or other indebtedness in an amount not to exceed \$14,000,000 (the "Bonds") for the purpose of financing a portion of the Project costs; and

WHEREAS, It is intended that the interest on the Bonds will be excluded from gross income for federal income tax purposes; and

WHEREAS, It is intended that this ordinance shall constitute a declaration of intent to reimburse certain eligible expenditures for the Project made prior to the issuance of the Bonds ("Eligible Project Costs") from the proceeds of the Bonds (if and when issued) within the meaning of Section 1.150-2 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Treasury Regulations"); now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The City intends to issue the Bonds and lend all or a portion of the proceeds thereof ("Bond Proceeds") to the Borrower, or to another entity affiliated with, related to, or with overlapping ownership interests in the Developer or the Borrower, for the purpose of financing a portion of the Project costs, subject to the City and the Borrower agreeing to the terms and conditions necessary to issue the Bonds and further approval by the City Council of the City. The maximum principal amount of Bonds which the City intends to issue for the Project will not exceed \$14,000,000.

SECTION 3. Certain Eligible Project Costs will be incurred by the Borrower and/or its affiliates (including the Developer) in connection with the Project prior to the issuance of the Bonds. The City reasonably expects to reimburse such Eligible Project Costs with Bond Proceeds.

SECTION 4. The Eligible Project Costs to be reimbursed with Bond Proceeds will be paid initially from funds of the Borrower and/or its affiliates (including the Developer).

SECTION 5. This ordinance is consistent with the budgetary and financial circumstances of the City. No funds from sources other than Bond Proceeds are, or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside by the City for the Project for costs to be paid from Bond Proceeds.

SECTION 6. This ordinance constitutes a declaration of official intent under Section 1.150-2 of the Treasury Regulations.

SECTION 7. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or any part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 8. This ordinance shall be effective as of the date of its passage and approval.

EXHIBIT E:
FAIR MARKET VALUE PROCEDURES;
COMMINGLED FUNDS

General Rules. The fair market value of any Investment Property is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the Investment Property becomes binding (*i.e.*, the trade date rather than the settlement date). In general, an investment that is not of a type traded on an established securities market, within the meaning of Section 1273 of the Code, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

Certificates of Deposit. In the case of a certificate of deposit that has a fixed interest rate, a fixed principal schedule and a substantial penalty for early withdrawal, the purchase price of the certificate of deposit shall be considered its fair market value if the yield on the certificate of deposit is not less than (A) the yield on reasonably comparable direct obligations of the United States and (B) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

Guaranteed Investment Contracts. The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if:

- (1) the Borrower makes a bona fide solicitation for the purchase of a specified Guaranteed Investment Contract;
- (2) the bid specifications are in writing, include all material terms of the bid (a term is material if it may directly or indirectly affect the yield on the Guaranteed Investment Contract) and are timely forwarded to potential providers;
- (3) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Borrower or any other person (whether or not in connection with the Bonds) and that the bid is not being submitted solely as a courtesy to the Borrower or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the Guaranteed Investment Contract;
- (4) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the Guaranteed Investment Contract);
- (5) the terms of the solicitation take into account the Borrower's reasonably expected deposit and drawdown schedule for the amounts to be invested;

(6) all bidders for the Guaranteed Investment Contract have an equal opportunity to bid so that, for example, no bidder is given the opportunity to review others bids (*i.e.*, a last look) before bidding;

(7) at least three of the entities solicited for bids for the Guaranteed Investment Contract are reasonably competitive providers of investments of the type purchased (a reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of investments being purchased);

(8) the Borrower receives at least three bids from entities that do not have a material financial interest in the Bonds;

(9) at least one of the entities that provide a bid is a reasonably competitive provider;

(10) if the Borrower uses an agent to conduct the bidding process, the agent did not bid to provide the Guaranteed Investment Contract;

(11) the Borrower purchases the highest-yielding Guaranteed Investment Contract for which a bona fide bid is made (determined net of broker's fees);

(12) the obligor on the Guaranteed Investment Contract certifies the administrative costs that it is paying or expects to pay to third parties in connection with the Guaranteed Investment Contract; and

(13) the Borrower retains the following records with the Bond documents until three years after the last outstanding Bonds are redeemed:

(i) a copy of the Guaranteed Investment Contract;

(ii) the receipt or other record of the amount actually paid by the Borrower for the Guaranteed Investment Contract, including a record of any administrative costs paid by the Borrower, and the certification under paragraph (12) of this section;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the purchase agreement or the guaranteed investment contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.

Commingled Funds. Neither the City nor the Borrower shall direct the Servicer to invest any of the Gross Proceeds in a Commingled Fund (other than the Bond Fund) unless the requirements of this paragraph are satisfied. For purposes of this Tax Agreement, a "Commingled Fund" is any fund or account containing both Gross Proceeds of the Bonds and amounts in excess of \$25,000 that are not Gross Proceeds of the Bonds if the amounts in the fund or account are

invested and accounted for collectively, without regard to the source of funds deposited in the fund or account. An open-end regulated investment company under Section 851 of the Code, however, is not a Commingled Fund. Not less frequently than as of the close of each fiscal period, all payments and receipts (including deemed payments and receipts) on investments held by a Commingled Fund must be allocated (but not necessarily distributed) among the different investors in the fund. This allocation must be based on a consistently applied, reasonable ratable allocation method. Reasonable ratable allocation methods include, without limitation, methods that allocate these items in proportion to either (A) the average daily balances of the amounts in the Commingled Fund from different investors during a fiscal period or (B) the average of the beginning and ending balances of the amounts in the Commingled Fund from different investors for a fiscal period that does not exceed one month. An investor means each different source of funds invested in a Commingled Fund. The fiscal year of a Commingled Fund is the calendar year unless the fund adopts another fiscal year. A Commingled Fund may use any consistent fiscal period that does not exceed three months (*e.g.*, a daily, weekly, monthly or quarterly fiscal period).

In the case of a Commingled Fund in which the City and the Borrower and any Related Party own more than 25 percent of the beneficial interest in the fund (an “internal” Commingled Fund), the Commingled Fund must treat all its investments as if sold at fair market value either on the last day of the fiscal year or the last day of each fiscal period. The net gains or losses from these deemed sales of investments must be allocated to all investors of the Commingled Fund during the period since the last allocation. However, if the remaining weighted average maturity of all investments held by a Commingled Fund during a particular fiscal year does not exceed 18 months, and the investments by the Commingled Fund during that fiscal year consist exclusively of obligations, the mark-to-market requirement described in the preceding sentence does not apply. Additionally, the mark-to-market requirement does not apply to a Commingled Fund that operates exclusively as a reserve fund, sinking fund or replacement fund for two or more issues of the City or the Borrower. Special rules apply for purposes of allocating a Commingled Fund that serves as a common reserve fund, replacement fund or sinking fund for two or more issues.

EXHIBIT F

POST-ISSUANCE COMPLIANCE AND MONITORING

The City considers post-closing monitoring essential to ensuring accomplishment of its public mission. The Borrower is required to cooperate with City staff conducting post-closing monitoring tasks.

A. Annual Financing Statements

The City requires the Borrower to submit audited financial statements annually to the City.

B. Certificate of Completion

The City requires the Borrower to complete and submit a certificate stating that the Project is completed (a “**Certificate of Completion**”). The Certificate of Completion should be delivered to the Director of the City’s Asset Management Department within thirty (30) days of Project completion.

C. Site Visit

Prior to, during or after completion of the Project, the City, at its discretion, and without obligation, reserves the right to conduct site visits, upon reasonable notice to the Borrower.

D. Tenant Income Certifications

It is the City’s policy that the housing financed by the issuance of City obligations meet the general income and occupancy requirements as set by the Code and established by HUD. On forms approved by the City, the Borrower shall obtain from each prospective tenant prior to admission to the development, a certification of income and thereafter on an annual basis, a recertification of income.

E. Arbitrage Rebate Calculations

The City requires the Borrower to maintain responsibility for all arbitrage rebate calculations. These calculations must be obtained by the Borrower through a qualified arbitrage rebate consultant selected by the City and submitted to the trustee for the obligations at least fourteen (14) days prior to the end of each fifth year that the obligations remain outstanding and upon retirement of the obligations. The City will select the arbitrage rebate consultant. However, all costs and expenses associated with retaining the consultant will be the sole responsibility of the Borrower. The Fiscal Agent and the City shall be entitled conclusively to rely on the calculations and directions of the Borrower’s arbitrage rebate consultant and shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in reliance of those calculations and directions.

F. Reporting Requirements

The Borrower must furnish to the City such periodic reports or statements as are required hereunder. Without limiting the foregoing, (i) at the Closing, the Borrower must provide to the City a written certification as to the scheduled monthly amortization of the Loan and the obligations, and represent to the City in connection therewith that the Loan and the obligations will remain in compliance therewith unless and until the Borrower provides a new schedule with respect thereto, and (ii) on or before March 1 of each year, the Borrower will provide (or cause to be provided) to the City a written certification as to the unpaid principal balance of the Loan and the obligations as of the prior March 1.

G. Post-Closing Compliance for other City Programs

Developments utilizing other City financing or low-income housing tax credits will have additional requirements both in the initial underwriting process and post-closing. To the extent this section is applicable, the Borrower and its counsel should consult these programs and/or the appropriate City personnel to determine what post-closing requirements these programs require.

EXHIBIT G
IRS Form 8038

[see attached]