



0735411063, made by the Borrower in favor of the City (the "Mortgage"); and

WHEREAS, the Mortgage was subordinated to that certain mortgage dated as of December 1, 2007, securing a loan in the amount of \$10,685,000 (the "Original Senior Loan"), made by the Borrower in favor of Capmark Finance Inc., which was subsequently assigned to Berkadia Commercial Mortgage; and

WHEREAS, the Original Senior Loan was made in connection with the issuance by the City of certain Multi-Family Housing Revenue Bonds (Victory Centre of South Chicago Project), Series 2007A (FHA Insured/GNMA) (the "Bonds"); and

WHEREAS, the Borrower is refinancing the Original Senior Loan to reduce interest costs, and consequently has requested that DPD approve a proposed modification of the Loan; and

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WHEREAS, in order to secure the long-term affordability of the Building, DPD has agreed to allow the Borrower to refinance and repay the Original Senior Loan to redeem the Bonds and to receive the proceeds of a new loan from Wells Fargo Bank National Association (the "New Senior Lender") in an amount not to exceed \$10,400,000 at a fixed interest rate not to exceed 4.75% per annum for a term not to exceed forty years (the "New Senior Financing"); and

WHEREAS, the New Senior Financing will be secured by a new mortgage made by the Borrower in favor of the New Senior Lender (the "New Senior Mortgage"); and

WHEREAS, Borrower will be entering into additional junior financing from MB Financial Bank, N.A. in an amount not to exceed \$450,000 ("New Junior Financing"), which New Junior Financing will be subordinate to the Loan and secured in part by accounts receivable of the Borrower; and

WHEREAS, DPD has approved a modification of the Loan (the "Restructuring") in a manner which (1) will not alter the principal amount of the Loan, (2) will not alter the interest rate on the principal balance of the Loan, (3) will alter the maturity date of the Loan, (4) will alter the repayment terms of the Loan, and (5) will subordinate the Mortgage and regulatory agreements in favor of the City related to the Project to any liens which will secure the New Senior Financing, including but not limited to the New Senior Mortgage (collectively, the "Material Terms"); 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 Restructuring is hereby approved as described above. The Commissioner of DPD (the "Commissioner") or a designee of the Commissioner, are each hereby authorized, subject to approval by the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Restructuring which do not substantially modify the Material Terms as described herein. The Commissioner, or a designee of the Commissioner, are each hereby authorized, subject

to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Restructuring, including without limitation, consenting to any liens and the terms thereof which will secure the New Senior Financing or the New Junior Financing. The Commissioner or a designee of the Commissioner are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable, in connection with any future restructuring of the Loan, which do not substantially modify the Material Terms.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or 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

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shall not affect any of the other provisions of this ordinance. Neither Section 2-45-110 nor Section 2-45-115 of the Municipal Code of Chicago shall apply to the Building in connection with the Restructuring.

SECTION 4. This ordinance shall be effective as of the date of its passage and approval.

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**OFFICE OF THE MAYOR**

CITY OF CHICAGO

RAHM EMANUEL  
MAYOR

July 25, 2018

TO THE HONORABLE, THE CITY COUNCIL OF THE  
CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing a modification and subordination of a City mortgage for South Chicago SLF.

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

CHICAGO September 20, 2018

**To the President and Members of the City Council:**

Your Committee on Finance having had under consideration an ordinance authorizing the Commissioner of the Department of Planning and Development to enter into and execute a Loan Restructuring/Modification Agreement with South Chicago SLF Associates, LP.

02018-6583

**Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith.**

**This recommendation was concurred in by  
of members of the committee with**

**(signed)^-/**

**Respectfully submitted**

**Chairman**

Approved Approved