



Office of the City Clerk

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Legislation Text

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NOTIFICATION OF SALE OF

\$2,420,000 CITY OF CHICAGO Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project), Series 2015

BEING ISSUED BY THE CITY OF CHICAGO AND DESIGNATING THE
INTEREST RATES FOR SUCH BONDS

To: THE CITY COUNCIL OF THE CITY OF CHICAGO

Please be advised that responsive to authority contained in the ordinance adopted by the City Council (the "City Council") of the City of Chicago (the "City") on May 20, 2015 (the "Ordinance"), providing for the issuance of not to exceed \$2,500,000 in aggregate principal amount of its Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project), Series 2015 (the "Bonds"), a Private Placement Agreement, dated May 27, 2015 (the "Purchase Agreement"), providing for the sale of the Bonds, was entered into by me as the Chief Financial Officer, with the concurrence of the Chairman on Finance of the City Council and the Borrower, Goldblatts of Chicago Limited Partnership, and the Purchaser at an aggregate price of \$2,420,000 for the Bonds (representing the aggregate principal amount of the Bonds). The Ordinance provided that the Bonds were to be issued in such principal amounts as are established in this Notification of Sale. The trustee under the Trust Indenture, dated as of January 1, 2013, as supplemented by the First Supplement to Trust Indenture, dated as of May 1, 2015 (the "First Supplement to Indenture"), and with respect to the Bonds is UMB Bank, N.A., successor in trust to Seaway Bank and Trust Company. The Bonds mature, bear interest and are subject to redemption as set forth in the First Supplement to Indenture, an executed copy of which is attached as Exhibit A.

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ACKNOWLEDGMENT OF FILING

The Notification of Sale of \$2,420,000 Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project), Series 2015 (including all exhibits to it), was filed in the Office of the City Clerk of the City of Chicago, this 5th day of 2015.

CITY OF CHICAGO

Susana A. Mendoza City Clerk

[Seal]

First Supplement to Trust Indenture

from

City of Chicago

to

UMB Bank, n.a., as Trustee, successor to Seaway Bank and Trust Company, as Trustee

Relating to:

\$2,420,000 City of Chicago Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project),
Series 2015

Dated as of May 1, 2015

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First Supplement to Trust Indenture

This First Supplement to Trust Indenture, dated as of May 1, 2015 (the "First Supplement to Indenture"), is from the City of Chicago, a duly constituted and existing municipality within the meaning of

Section 1 of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution"), and a home rule unit of government under Section 6(a) of Article VII of the Constitution (the "Issuer"), to UMB Bank, n.a., a banking corporation having its principal corporate trust office in Kansas City, Missouri, as successor trustee (the "Trustee"). This First Supplement to Indenture supplements the Trust Indenture, dated January 1, 2013 (the "Original Indenture") from the Issuer to the successor Trustee in accordance with Article XII of the Original Indenture to provide for the issuance of Completion Bonds (as defined in the Original Indenture). Except to the extent the Original Indenture is supplemented by this First Supplement to Indenture (the two documents together are referred to as the "Indenture"), the Original Indenture remains in full force and effect.

WITNESSETH:

Whereas, the Issuer is authorized under the Constitution of the State of Illinois (the "State"), to exercise any power and perform any function pertaining to its government and affairs, including the power to issue bonds and lend the proceeds of the sale thereof to finance the acquisition, rehabilitation and equipping of a low-income housing development project located within the boundaries of the Issuer; and

Whereas, on January 30, 2013, the Issuer issued its Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project), Series 2013, in the aggregate principal amount of \$18,000,000 (the "2013 Bonds") pursuant to the Original Indenture and loaned the proceeds to Goldblatts of Chicago Limited Partnership, an Illinois limited partnership (the "Borrower"), pursuant to a Loan Agreement dated January 1, 2013 (the "Original Loan Agreement") as such original Loan Agreement is supplemented by the terms of the First Supplement to Loan Agreement (the "First Supplement to Loan Agreement" and together with the Original Loan Agreement, the "Loan Agreement") dated as of May 1, 2015, in order to (i) finance or reimburse the Borrower for certain permitted costs in connection with the acquisition, rehabilitation and equipping of a low-income housing development project consisting of real property improved with a building (the "Building") that formerly housed a Goldblatt's Department Store and comprised of a supportive living facility with approximately 101 residential dwelling units and certain attendant facilities located on all but the commercial space areas on the ground floor of the Building, located generally at 4707 S. Marshfield Avenue, and with parking on adjacent property located at 1635 W. 47th Street, within the boundaries of the Issuer, (ii) pay capitalized interest, (iii) make a deposit into a debt service reserve fund for the Bonds, and (iv) pay the costs of issuance relating thereto (the "2013 Project"); and

Whereas, the Issuer has agreed to issue its Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project), Series 2015, in the aggregate principal amount of \$2,420,000 (the "2015 Bonds," and together with the 2013 Bonds, the "Bonds") to finance the completion of the 2013 Project (the "2015 Project," and together with the 2013 Project, the "Project"), make a deposit into the debt service reserve fund and fund capitalized interest through May 31, 2017; and

Whereas, all Bonds issued under the Original Indenture and this First Supplement to Indenture will be secured on a parity by a pledge and assignment of certain rights of the Issuer

under the Original Loan Agreement as supplemented by the First Supplement to Loan Agreement (defined below); and

Whereas, the Bonds shall be payable on a parity solely from the revenues received by the Issuer from the repayment of the loan of the proceeds of the Bonds to the Borrower (the "Loan") and from other revenues derived from the Loan and the Bonds, including, without limitation, from certain amounts received from any limited partner of the Borrower in the form of equity contributed to the Borrower; and

Whereas, the Trustee has trust powers and the power and authority to enter into the Original Indenture and this First Supplement to Indenture, to accept trusts generally and to accept and execute the

trust created by the Original Indenture and this First Supplement to Indenture, and the Trustee has accepted the trust so created and, to evidence such acceptance, has joined in the execution of the Original Indenture and this First Supplement to Indenture; and

Whereas, the execution and delivery of this First Supplement to Indenture has been duly authorized by the Issuer and all conditions, acts and things necessary and required by the Constitution or statutes of the State or otherwise to exist, to have happened, or to have been performed precedent to or in the execution and delivery of this First Supplement to Indenture, do exist, have happened and have been performed in regular form, time and manner; and

Whereas, all things necessary to make the 2015 Bonds, when authenticated by the Trustee and issued as provided in the Original Indenture and this First Supplement to Indenture, the valid, binding and legal special limited obligations of the Issuer according to the import thereof, and to constitute the Original Indenture and this First Supplement to Indenture as a valid assignment and pledge of the amounts pledged to the payment of the principal of, redemption premium, if any, and interest on the 2015 Bonds, and to constitute this First Supplement to Indenture a valid assignment of certain of the rights of the Issuer under the First Supplement to Loan Agreement, have been done and performed, and the creation, execution and issuance of the 2015 Bonds, subject to the terms thereof, have in all respects been duly authorized.

Now, Therefore, This First Supplement to Trust Indenture Witnesseth that the Granting Clauses of the Original Indenture are applicable to the 2015 Bonds.

Article I

Definitions

In addition to the words and terms defined in the Original Indenture or elsewhere herein, the following words and phrases as used in this First Supplement to Indenture shall have the following meanings unless the context or use indicates another or different meaning and intent:

"Additional Bonds" means the 2015 Bonds and other additional bonds issued pursuant to Section 12.1 of the Original Indenture.

"Bond" or "Bonds" means (a) the 2013 Bonds and (b) the 2015 Bonds.

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"Bond Purchasers" means AllianceBernstein Municipal Income Fund Inc. High Income Municipal Portfolio.

"Bond Resolution" means, with respect to the Original Bonds, the ordinance adopted by the Issuer on June 8, 2011, authorizing and approving the issuance and sale of the 2013 Bonds and authorizing and approving the execution and delivery of the Original Indenture, the Original Loan Agreement, the Original Regulatory Agreement, the Original Bond Purchase Agreement and certain other documents, making certain appointments and determining certain details with respect to the 2013 Bonds and, with respect to the 2015 Bonds, means the ordinance adopted by the Issuer on May 20, 2015, authorizing and approving the issuance and sale of the 2015 Bonds and authorizing and approving the execution and delivery of this First Supplement to Indenture, the First Supplement to Loan Agreement, the First Supplement to Regulatory Agreement (as defined herein), and other documents in connection with the 2015 Bonds, making certain appointments and determining certain details with respect to the 2015 Bonds.

"Borrower Documents" (1) when used with respect to the 2013 Bonds, means all documents and agreements executed and delivered by the Borrower as security for or in connection with the issuance of the 2013 Bonds including, but not limited to the Original Loan Agreement, the Note, the Mortgage, the Security Agreement, the Assignment, the Original Bond Purchase Agreement, (2) when used with respect to the 2015 Bonds means all documents and agreements executed and delivered by the Borrower in connection with 2015 Bonds, including the First Supplement to Loan Agreement, this First Supplement to Indenture, First Amendment to the Mortgage, the 2015 Note, the First Supplement to Regulatory Agreement, the Collateral Assignment and the Tax Agreement with respect to 2015 Bonds, and (3) when used with respect to the Issuer, means any of the foregoing documents and agreements to which the Issuer is a direct party. The Borrower Documents do not include any documents or agreements to which the Borrower is not a direct party, including the Bonds or this Indenture.

"Capitalized Interest Account" means the Capitalized Interest Account established in the Bond Fund by Section 5.2 of this First Supplement to Indenture.

"Collateral Assignment" means the certain Collateral Assignment dated as of May 1, 2015 between the Borrower and the Trustee.

"Completion Bonds" means the 2015 Bonds.

"Costs of Issuance" means (a) the fees, costs and expenses of (1) the Issuer, the Issuer's counsel and the Issuer's financial advisor, if any, (2) the Placement Agents (including fees or discounts to the Placement Agents or other purchasers of the 2015 Bonds (other than original issue discount) incurred in the issuance and sale of the 2015 Bonds) and the Placement Agents' counsel, (3) Bond Counsel, (4) the Trustee and the Trustee's counsel, and (5) the Borrower's counsel and the Borrower's financial advisor, if any, (b) the costs of preparing the cash flow projections, (c) costs of printing the offering documents relating to the sale of the Bonds; and (d) all other fees, costs and expenses directly associated with the authorization, issuance, sale and delivery of the Bonds, including, without limitation, printing costs, costs of reproducing documents and filing and recording fees. Costs of Issuance include, but are not limited to:

- a) Placement Agents' fees; ,
- b) financial advisor fees;

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- c) counsel fees, including bond counsel, Borrower's counsel, as well as any other specialized counsel fees;
- d) rating agency fees;
- e) trustee fees and trustee counsel fees;
- f) paying agent and certifying and authenticating agent fees related to issuance of the Bonds;
- g) accountant fees;
- h) printing costs of the 2015 Bonds and of the preliminary and final placement memorandum or other disclosure document;

- (i) costs of engineering and feasibility studies necessary to the issuance of the 2015 Bonds;
- (j) costs incurred in connection with the required public approval process {e.g., publication costs for public notices generally and costs of the public hearing}; and
- (k) Issuer fees incurred in connection with the issuance of the 2015 Bonds.

"Cost of Issuance Fund" means the Cost of Issuance Fund established and created by Section 5.3 of this First Supplement to Indenture.

"Loan" means the loan of the proceeds of the 2015 Bonds to the Borrower pursuant to the First Supplement to Loan Agreement.

"First Supplement to Loan Agreement" means the First Supplement to Loan Agreement dated as of the date of this First Supplement to Indenture with respect to the 2015 Bonds by and between the Issuer and the Borrower, as amended in accordance with the terms hereof and thereof.

"Maturity Date" means, the date specified in Section 2.3 of this First Supplement to Indenture as the maturity date of the 2015 Bonds or any earlier redemption date.

"2015 Note" means the promissory note of the Borrower dated as of the date of this First Supplement to Indenture evidencing and securing its obligations under the First Supplement to Loan Agreement in the form attached to the First Supplement to Loan Agreement as Exhibit A.

"Principal Amount" means with respect to the 2015 Bonds, Two Million Four Hundred Twenty Thousand Dollars (\$2,420,000).

"Placement Agents" means William Blair & Company, L.L.C.

"Redemption Price" shall have the meaning with respect to the 2015 Bonds specified in Article III of this First Supplement to Indenture.

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"Tax Agreement" means with respect to the 2015 Bonds the Tax Agreement executed by the Borrower, the Issuer and the Trustee in connection with the issuance of the 2015 Bonds and dated as of the date of issuance of the 2015 Bonds, and any exhibits, schedules, amendments and supplements to the foregoing.

In addition, the definitions of the terms "Debt Service Reserve Requirement," "Equity Investor," "Mortgage" and "Service Provider" in Article I of the Original Indenture are amended to read as follows:

"Debt Service Reserve Requirement" means with respect to the 2013 Bonds, \$1,347,387.50 and with respect to the 2015 Bonds, \$242,000.

"Equity Investor" means R4 NCSL Acquisition LLC, its successors and assigns.

"Mortgage" means the Mortgage, Security Agreement and Fixture Financing Statement dated as of January 1, 2013 from the Borrower to the Trustee, as amended by the First Amendment to the Mortgage dated as of May 1, 2015.

"Service Provider" means New City Service Provider, LLC, an Illinois limited liability company, and any successor or assigns acting as service provider with respect to the Project.

Article II The 2015 Bonds

Section 2.1 Authorized Amount of Bonds. No 2015 Bonds may be issued under the provisions of the Indenture except in accordance with this Article II. The total principal amount of 2015 Bonds that may be issued is expressly limited to \$2,420,000.

Section 2.2 Issuance of Bonds. The 2015 Bonds shall be designated City of Chicago Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project), Series 2015. The Maturity Date of the 2015 Bonds shall be as set forth in Section 2.3 below.

Each 2015 Bond shall be dated as of the date of authentication, shall be subject to prior redemption as provided in Article III, shall be issued as fully registered bonds without coupons in Authorized Denominations, and shall be numbered consecutively from R-1 upward.

Each 2015 Bond shall bear interest as provided in Section 2.3 of this First Supplement to Indenture. If interest on the 2015 Bonds shall be in default, Additional 2015 Bonds issued in exchange for Bonds surrendered for transfer or exchange shall bear interest from the last date to which interest on the 2015 Bonds has been paid in full.

The principal of, redemption premium, if any, and interest on the 2015 Bonds shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts, and such principal, redemption premium, if any, and interest shall be payable at the Principal Office of the Paying Agent.

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Section 2.3 Interest Rate on Bonds. The 2015 Bonds shall be issued on the Issuance Date shall bear interest until paid from the most recent date to which interest has been duly paid or provided for. The 2015 Bonds shall bear interest payable semiannual on each June 1 and December 1, commencing December 1, 2015 at the rate per annum of 6.00% until May 31, 2017 and 8.00% thereafter until maturity. Interest on the 2015 Bonds shall be computed on the basis of a 360-day year, consisting of twelve 30-day months. It shall be the duty of the Trustee to calculate the amount of interest payable for any period on the 2015 Bonds and due and owing to each Holder.

The 2015 Bonds shall mature (subject to prior redemption as provided in Section 3.1) on December 1, 2030.

Section 2.4 Manner of Paying for Bonds.

The principal or redemption price of each 2015 Bond shall be payable upon surrender of such 2015 Bond at the Principal Office of the Trustee and otherwise in accordance with Section 2.4 of the Original Indenture.

Section 2.5 Execution; Limited Obligation. The 2015 Bonds shall be in substantially the form attached as Exhibit A, with necessary and appropriate variations, omissions and insertions as are customary, permitted or required by this Indenture. The 2015 Bonds shall be executed on behalf of the Issuer by the

manual or facsimile signatures of the Mayor or the Chief Financial Officer of the Issuer, attested by the manual or facsimile signature of the City Clerk or the Deputy City Clerk of the Issuer, or the appropriately designated proxy of such persons, and shall have impressed or imprinted thereon the official seal of the Issuer. Any facsimile signatures shall have the same force and effect as if said officers had manually signed the 2015 Bonds. Any reproduction of the official seal of the Issuer on the 2015 Bonds shall have the same force and effect as if the official seal of the Issuer had been impressed on the 2015 Bonds.

In case any officer of the Issuer whose manual or facsimile signature shall appear on any 2015 Bond shall cease to be such officer before the delivery of such 2015 Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery, and any 2015 Bond may bear the facsimile signatures of, or may be signed by, such persons as at the actual time of the execution of such 2015 Bond shall be the proper officers to sign such 2015 Bond although at the date of such 2015 Bond such persons may not have been such officers.

The 2015 Bonds are special limited obligations of the Issuer and the principal of, redemption premium, if any, and interest on the 2015 Bonds shall be payable solely from and secured by: (i) amounts paid by the Borrower under the Loan Agreement and the 2015 Note, (ii) an assignment to the Trustee of all the Issuer's rights (except for the Unassigned Rights); (iii) a pledge of and security interest in all moneys and investments held by the Trustee under the Indenture, including any moneys representing earnings on monies held under the Indenture; (iv) the Mortgage; (v) the Security Agreement; (vi) the Assignment; (vii) the 2015 Note; and (viii) the Collateral Assignment. The 2015 Bonds and all payments to be made by the Issuer, however, are not general obligations of the Issuer, but are special, limited obligations. The full faith and credit of the Issuer are not pledged to their payment. No Bondholder has the right to compel any exercise of the taxing powers of the Issuer to pay the principal of, premium, if any, or interest on the 2015 Bonds. None of the United States of America, the State, the Issuer, nor any

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other political subdivision or body corporate and politic, or agency, of the United States of America, the State of Illinois, or the Issuer (except to the limited extent provided herein) shall in any event be liable for the payment of the principal of, premium, if any, or interest on the 2015 Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever of the Issuer, and neither this 2015 Bond nor any of the Issuer's agreements or obligations shall be construed to constitute an indebtedness of the United States of America, the State, the Issuer or any other political subdivision or body corporate and politic of the United States of America, the State or the Issuer (except to the limited extent provided herein), within the meaning of any constitutional or statutory provision whatsoever.

Section 2.6 Authentication. No 2015 Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless a certificate of authentication on such 2015 Bond, substantially in the form set forth in Exhibit A, shall have been duly executed by an authorized officer of the Trustee; and such executed certificate of authentication upon any such 2015 Bond shall be conclusive evidence that such 2015 Bond has been duly executed, registered, authenticated and delivered under this Indenture. It shall not be necessary that the same person sign the certificate of authentication on all of the 2015 Bonds.

Section 2.7 Delivery of 2015 Bonds. Prior to the release by the Trustee of the 2015 Bonds, there shall be filed with the Trustee:

- a) A request and authorization to the Trustee on behalf of the Issuer and signed by an Authorized Officer of the Issuer to authenticate and deliver such 2015 Bonds to the Bond Purchaser upon payment to the Trustee, but for the account of the Issuer, of a sum specified in such request and authorization in the aggregate principal amount of the 2015 Bonds;

b) An opinion of counsel to the Issuer to the effect that, in the opinion of such counsel, the First Supplement to Loan Agreement, the First Supplement to Regulatory Agreement, the 2015 Bonds and this First Supplement to Indenture and other documents to which the Issuer is a party, have been duly authorized and lawfully executed and delivered on behalf of the Issuer and, assuming the due authorization, execution and delivery by the other parties thereto, are valid and binding obligations of the Issuer and enforceable against the Issuer in accordance with the respective terms thereof, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and to the extent that the availability of the remedies of specific performance and injunction may be subject to the discretion of the court;

c) Original duly executed counterparts of the First Supplement to Loan Agreement, the 2015 Note, the First Supplement to Regulatory Agreement, this First Supplement to Indenture, the First Amendment to the Mortgage, and the Intercreditor Agreement;

d) An opinion of counsel for the Borrower stating in the opinion of such counsel, subject to the exceptions set forth therein acceptable to counsel for the Placement Agents, the Bond Purchaser and Bond Counsel, that the 2015 Note, the First Supplement to Regulatory Agreement, the First Supplement to Loan Agreement, the First Amendment to the Mortgage, the Collateral Assignment and any other documents

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to which the Borrower is a party, are valid and binding obligations of the Borrower enforceable against the Borrower in accordance with the respective terms thereof;

e) An opinion of Bond Counsel addressed to the Trustee and the Bond Purchaser substantially to the effect that the 2015 Bonds constitute legal, valid and binding special obligations of the Issuer, and that, assuming continuing compliance with the applicable provisions of the Code by the Borrower and the Issuer, the interest on the 2015 Bonds is not included in gross income for federal income tax purposes under existing law, except for interest on any 2015 Bond for any period during which such 2015 Bond is held by a "substantial user" of the Project or a "related person" as such terms are defined in Section 147(a) of the Code;

f) Such other certificates, documents, instruments, and opinions relating to the issuance of the 2015 Bonds or the security therefor as the Issuer, the Placement Agents or the Trustee may reasonably request, including without limitation all requirements established by Article XII of the Original Indenture for the issuance of Additional Bonds.

(g) Proceeds of the 2015 Bonds in the amount of \$2,420,000.

When the documents required above shall have been filed with the Trustee and when such 2015 Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver such Bonds at one time to or upon the order of the Placement Agents, but only upon payment to the Trustee of the purchase price of such 2015 Bonds. The Trustee shall be entitled to rely upon such documents without investigation as to matters stated therein.

Section 2.8 Other Provisions. The provisions of Sections 2.8, 2.9, 2.10, 2.11, 2.12, 2.13 and 2.14 of the Original Indenture shall apply to this First Supplement to Indenture and the 2015 Bonds.

Article III

Redemption of 2015 Bonds

Section 3.1 Redemption. The 2015 Bonds shall be subject to redemption prior to maturity as follows:

(a) Optional Redemption. The 2015 Bonds shall be subject to optional redemption, in whole or in part, at the direction of the Borrower, after the required notice of redemption is given, on or after the dates set forth below, at a redemption price (expressed as a percentage of the principal amount of the 2015 Bonds to be redeemed) as shown in the following table, plus accrued interest to the redemption date.

<u>Date</u>	<u>Price</u>
On or after December 1, 2019 through November 30, 2020	104%
On or after December 1, 2020 through November 30, 2021	103%
On or after December 1, 2021 through November 30, 2022	102%
On or after December 2, 2022 through November 30, 2023	101%
On or after December 1, 2023	100%

b) Mandatory Redemption Upon Determination of Taxability. The Bonds are subject to mandatory redemption in whole on the earliest date after the required notice of redemption can be given following a Determination of Taxability but not less than thirty-five days following the Trustee's receipt of notice of such occurrence at a redemption price equal to 103% of the principal amount of the 2015 Bonds so redeemed, plus accrued interest to the redemption date. Notwithstanding anything in the Indenture to the contrary, the Trustee shall give prompt written notice of the occurrence of a Determination of Taxability to the Bondholders, the Issuer and the Borrower. All of the 2015 Bonds outstanding on the redemption date selected shall be redeemed on that date. No other redemption premium shall be payable in the event of a Determination of Taxability.

c) Extraordinary Mandatory Redemption. The 2015 Bonds shall be subject to redemption in whole and not in part prior to maturity, at a redemption price of 100% of the principal amount of the 2015 Bonds to be redeemed plus accrued interest to the date fixed for redemption, upon the receipt by the Trustee of a written certification of the Borrower fixing a redemption date (which date shall be at least 45 days but not more than 60 days after the date of the certification), and stating that one of the following events has occurred:

i) any insurance proceeds received by the Trustee as a result of damage to the Project or defective title are applied to the prepayment of the 2015 Note;

ii) condemnation and proceeds received by the Trustee are applied to the prepayment of the 2015 Note;

iii) the Borrower becomes subject to the Bankruptcy Code and the trustee in bankruptcy causes or directs prepayment of the Mortgage; and

iv) upon an Event of Default under and as defined in the Loan Agreement and an acceleration of the 2015 Note.

d) Mandatory Redemption to the Extent of Excess Moneys in the Acquisition and Rehabilitation Fund. The 2015 Bonds are subject to mandatory redemption, to the extent of excess moneys in the Bond Proceeds Account of the Acquisition and Rehabilitation Fund, at a redemption price equal to 100% of the principal amount of the 2015 Bonds to be redeemed plus accrued interest to the redemption date, in the maximum principal amount of Authorized Denominations permitted by the balance of moneys transferred to the Bond Fund as described in (ii) below and not otherwise necessary for the payment of principal of, redemption premium, if any, or interest on the 2015 Bonds within the next 12 months. Such redemption shall occur on the first date upon which proper notice of redemption can be given following (i) delivery by the Borrower of the certificate pursuant to Section 3.3 (d) of the Loan Agreement and (ii) the transfer of excess moneys, if any, from the Bond Proceeds Account of the Acquisition

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and Rehabilitation Fund to the Bond Fund pursuant to Section 3.3(d) of the Loan Agreement.

e) Mandatory Redemption from Equity Funds. The 2015 Bonds are subject to mandatory redemption, in part or in whole, between June 1, 2017 and December 1, 2017, inclusive, from amounts paid by the Borrower to the Trustee under Section 4.2(b) of the First Supplement to Loan Agreement or the Collateral Assignment, at a redemption price equal to 100% of the principal amount of the 2015 Bonds to be redeemed plus accrued interest to the redemption date, in the maximum principal amount of Authorized Denominations permitted by the amount of any such payment, on the first date on which proper notice of redemption can be given following receipt by the Trustee of such payment.

f) Mandatory Sinking Fund Redemption. The 2015 bonds are subject to mandatory sinking fund redemption on December 1 of each of the following years and in the principal amounts set forth below at a redemption price equal to 100% of the principal amount of Bonds to be redeemed, plus accrued interest to the redemption date:

<u>Year (December 1)</u>	<u>Principal Amount</u>
2018	\$115,000
2019	120,000
2020	130,000
2021	140,000
2022	155,000
2023	165,000
2024	180,000
2025	190,000
2026	210,000
2027	225,000
2028	245,000
2029	260,000
2030	285,000

Section 3.2 Bonds Redemption Provisions. The provisions of Sections 3.2, 3.3, 3.4, 3.5, 3.6, 3.7 and 3.8 of the Original Indenture shall apply to the 2015 Bonds.

Article IV

Funds and Application of Revenues and Other Matters Section 4.1 Establishment of Funds and Accounts; Application of Moneys.

(a) The following special funds and accounts shall be established and maintained pursuant to the provisions of this First Supplement to Indenture:

Bond Fund;

(a) Capitalized Interest Account (2015 Bonds)

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Cost of Issuance Fund (2015 Bonds); Acquisition and Rehabilitation Fund;

a) Bond Proceeds Account (2015 Bonds)

b) Equity Account Debt Service Reserve

Fund.

(a) Debt Service Reserve Account (2015 Bonds)

(b) The Trustee is authorized to receive the proceeds of the 2015 Bonds for and on behalf of the Issuer and to give receipt therefor along with certain other monies of the Borrower. The net proceeds received by the Issuer from the sale of the 2015 Bonds and the other funds deposited by the Borrower with the Trustee shall be applied as follows:

i) The net proceeds of the sale of the 2015 Bonds shall be applied as follows: \$2,062,258 to be deposited in the Bond Proceeds Account (2015 Bonds) of the Acquisition and Rehabilitation Fund, \$242,000 to be deposited in the Debt Service Reserve Account (2015 Bonds) of the Debt Service Reserve Fund, and \$115,742 to be deposited in the Capitalized Interest Fund (2015 Bonds).

ii) On the Issuance Date, other monies of the Borrower shall be applied as follows: \$127,311.13 of loan proceeds and \$48,153.45 of Borrower's equity to be deposited, respectively, in the Capitalized Interest Account (2015 Bonds) and \$151,846.55 of Borrower's equity to be deposited in the Cost of Issuance Fund (2015 Bonds).

Section 4.2 Capitalized Interest Account (2015 Bonds).

a) There is created and established within the Bond Fund established by the Original Indenture, a "Capitalized Interest Account" - Capitalized Interest Account (2015 Bonds), which shall be held by the Trustee and which shall be used for the purpose of paying the interest on the 2015 Bonds at the times set forth in the 2015 Bonds and in the manner provided herein. At the Issuance Date there shall be deposited in the Capitalized Interest Account (2015) of the Bond Fund the amount of \$291,206.58 for the purpose of paying interest on the 2015 Bonds for the period beginning on the Issuance Date and ending on May 31, 2017.

b) Any monies so deposited with and held by the Trustee and not so applied to the payment of 2015 Bonds for at least five (5) years after the date on which the same shall have become due shall then be

paid by the Trustee in accordance with Section 5.9(b) of the Original Indenture. Thereafter, Bondholders shall be entitled to look only to the Borrower for payment, the Borrower shall be liable for any interest thereon and the Trustee shall have no further responsibilities with respect to such monies. The obligation of the Trustee under this Section to pay any such funds to the Borrower shall be subject, however, to any provisions of law applicable to the Trustee or to such funds providing other requirements for disposition of such funds.

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Section 4.3 Cost of Issuance Fund (2015 Bonds). There is created and established in the "Cost of Issuance Fund" established by Section 5.3 of the Original Indenture the Costs of Issuance Fund (2015), which shall be held by the Trustee. This Fund is to be funded at the Issuance Date by the Borrower from equity. None of the Proceeds of the 2015 Bonds may be used to pay the Costs of Issuance of the 2015 Bonds. Amounts in the Cost of Issuance Fund shall be used to pay issuance costs upon filing with the Trustee a written requisition of the Authorized Borrower Representative. Any monies remaining in the Cost of Issuance Fund three months after the Issuance Date shall be transferred to the Equity Account in the Acquisition and Rehabilitation Fund.

Section 4.4 Debt Service Reserve Fund.

a) There is hereby created and established a "Debt Service Reserve Account (2015)" within the Debt Service Reserve Fund established by Section 5.5 of the Original Indenture, which shall be held by the Trustee in trust solely for the benefit of the 2015 Bonds. At the Issuance Date, the Debt Service Reserve Account (2015) shall be funded to the Debt Service Reserve Requirement for the 2015 Bonds from proceeds of the 2015 Bonds.

b) Whenever the amounts held in the Bond Fund are insufficient to pay principal of or interest on the 2015 Bonds, the Trustee shall transfer funds from the Debt Service Reserve Fund to pay principal of or interest on the 2015 Bonds when due.

Article V

Amendments to the Original Indenture

Section 5.1 Article I of the Original Indenture; Definitions. Article I of the Original is hereby amended by adding the following definitions in alphabetical order therein:

"Bonds" means the 2013 Bonds and the 2015 Bonds.

"Completion Date" shall have the meaning set forth in the Loan Agreement.

"General Partner" means CH-GB Affordable Partners, LLC, an Illinois limited liability company.

"Partnership Agreement" means the Second Amended and Restated Agreement of Limited Partnership dated as of May 1, 2015 among the General Partner, the Equity Investor, Celadon Goldblatts, LLC, as Class C Limited Partner and CH-Goldblatts, Inc. as a withdrawing partner.

Section 5.2 Article I of the Original Indenture; Definitions. Article I of the Original Indenture is hereby further amended by deleting the definition of "Revenues" and replacing it with the following:

"Revenues" means (i) all receipts, revenues, payments, income and other moneys received by or on behalf of the Borrower from any source, in connection with the ownership or the operation of all or any part of the Project, including, without limitation,

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all resident and commercial rents, gross income, SLF Payments (except deposits held as security), and all other operating and non-operating revenues, and all rights to receive the same whether in the form of accounts, accounts receivable, contract rights, chattel paper, instruments, general intangibles of the Borrower and the proceeds thereof, the proceeds of any insurance coverage on and condemnation awards in respect of the Project or any gain on the sale or other Borrower disposition of the Project; all of the foregoing, whether now existing or hereafter coming into existence and whether now owned or held or hereafter acquired by the Borrower; and (ii) all right, title and interest of the Borrower in and to the funds and accounts established under this Indenture. For avoidance of doubt, the "Operating Reserve" created pursuant to the Partnership Agreement and funds in the amount of \$1,900,000 deposited therein shall not be subject to the pledge created hereby.

Section 5.3 Amendment to Section 5.4(a) of the Original Indenture; Acquisition and Rehabilitation Fund. The first sentence of Section 5.4(a) of the Original Indenture is hereby amended and restated in its entirety as follows:

"There is credited and established a "Acquisition and Rehabilitation Fund" and, within the Acquisition and Rehabilitation Fund, a "Bond Proceeds Account" and an "Equity Account" which shall be held by the Trustee and disbursed by the Trustee at the written request of the Borrower to pay, or reimburse the Borrower for payment of, costs of acquisition, rehabilitation and equipping of the Project, and, to the extent permitted by the Code, Costs of Issuance of the Bonds in accordance with the Loan Agreement; provided that moneys on the deposit in the Equity Account shall be used for such purpose and exhausted before moneys in the Bond Proceeds Account are used for such purpose."

Section 5.4 Amendments to Section 5.7 of the Original Indenture; Project Fund. Section 5.7 of the Original Indenture is hereby amended as follows: \

- a) All references to "December 1, 2015" are hereby replaced with "one year after the Completion Date;"
- b) all references to "June 1, 2014" are hereby replaced with "the Completion Date;"
- c) all references to "January 1, 2014" are hereby replaced with "the Completion Date;" and
- d) all references to "1.10" are hereby replaced with "1.20."

Section 5.5 Amendments to Section 5.8 of the Original Indenture; Initial Lease Up Reserve Fund. Section 5.8 of the Original Indenture is hereby amended as follows:

- a) The reference to "June 1, 2014" is hereby replaced with "on the Completion Date;"
- b) The reference to "1.10" is replaced with "1.20."

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Article VI

Miscellaneous

Section 6.1 Notices. The following notice addresses shall be substituted in Section 13.4 of the Original Indenture for the corresponding notice addresses set forth in such Section 13.4:

The Trustee: UMB Bank, n.a. as successor Trustee
120 Sixth Street South, Suite 1400 Minneapolis, MN
55402 Attention: Virginia Housum

The Borrower: CH-GB Affordable Partners, LLC
c/o Celadon Holdings, LLC 2047 West
Wilmette Avenue Wilmette, Illinois 60091
Attention: Scot Henry, President

with copy to: R4 NCSL Acquisition LLC
c/o R4 Capital LLC 780 Third Avenue, 10th
Floor New York, NY 10017 Attention: Marc
Schnitzer

The Equity Investor: R4 NCSL Acquisition LLC
c/o R4 Capital LLC 780 Third Avenue, 10th
Floor New York, NY 10017 Attention: Marc
Schnitzer

with a copy to: Nixon Peabody LLP
437 Madison Avenue New York, NY
10022 Attention: Alan S. Cohen

Section 6.2 Ratification of Original Indenture. The Original Indenture is in all respects ratified, approved and confirmed and the Original Indenture, together with this First Supplement to Indenture, shall be read, taken and construed as one and the same instrument. Except as herein otherwise expressly permitted, all the provisions, definitions, terms and conditions of the Original Indenture shall be deemed to be incorporated in, and made part of, this First Supplement to Indenture and applicable to the 2015 Bonds. In executing and delivering this First Supplement to Indenture, the Trustee shall be entitled to all of the privileges and immunities afforded to the Trustee under the terms and provisions of the Original Indenture.

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Section 6.3 Applicable Law. This First Supplement to Indenture shall be governed by the applicable laws of the State of Illinois.

Section 6.4 Severability. If any one of the covenants or agreements provided in this First Supplement to Indenture on the part of the parties hereto to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this First Supplement to Indenture.

Section 6.5 Counterparts. This First Supplement to Indenture may be executed in several counterparts, all or any part of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

[Signature Page Follows]

In Witness Whereof, the City of Chicago has caused this First Supplement to Indenture to be executed by its Mayor, attested by its City Clerk or its Deputy City Clerk and its corporate seal to be affixed to

this Indenture; and the Trustee has caused this Indenture to be executed by one of its Authorized Officers, all as of the day and year first above written.

City of Chicago

Mayor

[Seal]

Attest:

Name:	Susana	A.	Mendoza	Title:	City
Clerk					

UMB Bank, n.a.,
as Trustee

Authorized Officer

In Witness Whereof, the City of Chicago has caused this First Supplement to Indenture to be executed by its Mayor, attested by its City Clerk or its Deputy City Clerk and its corporate seal to be affixed to this Indenture; and the Trustee has caused this Indenture to be executed by one of its Authorized Officers, all as of the day and year first above written.

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City of Chicago

Mayor

[Seal] Attest:

Name:	Susana	A.	Mendoza	Title:	City
Clerk					

UMB Bank, n.a.,
as Trustee

Authorized Officer

Exhibit A Form of Bond

UNITED STATES OF AMERICA

**CITY OF CHICAGO MULTI-FAMILY HOUSING REVENUE BONDS
(GOLDBLATTS SUPPORTIVE LIVING PROJECT), SERIES 2015**

NO. R-1 \$2,420,000

NOTICE: Unless this bond certificate is presented by an authorized representative of The Depository Trust Company to the Issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

INTEREST RATE: 6.00% through May 31, 2017, 8.00% thereafter
MATURITY DATE: December 1, 2030
DATED DATE: May 29, 2015
CUSIPNO.: 1677570 TNO
REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: \$2,420,000

THIS BOND DOES NOT CONSTITUTE A GENERAL OBLIGATION OF THE CITY OF CHICAGO OR A DEBT OR PLEDGE OF THE FAITH AND CREDIT OF THE STATE OF ILLINOIS OR THE CITY OF CHICAGO; THE PRINCIPAL OF AND INTEREST AND PREMIUM, IF ANY, ON THIS BOND ARE PAYABLE SOLELY FROM THE REVENUES AND FUNDS PLEDGED FOR THEIR PAYMENT IN ACCORDANCE WITH THE INDENTURE.

The CITY OF CHICAGO, a duly constituted and existing municipality and home rule unit of government of the State of Illinois ("Issuer"), acknowledges itself indebted and for value received promises to pay to Cede & Co. or registered assigns, the principal sum of Two Million Four Hundred and Twenty Thousand Dollars (\$2,420,000) on the Maturity Date stated above or on the date fixed for prior redemption, as the case may be, together with interest on such principal sum from the Dated Date of this bond until the Issuer's obligation with respect to the payment of such principal sum shall be discharged, at the Interest Rate per annum stated above payable on December 1, 2015, and thereafter on each June 1 and December 1 until maturity or earlier redemption. This bond, as to principal and redemption premium, if any, when due, will be

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payable at the corporate trust office of Seaway Bank and Trust Company, or its successors as trustee under the Indenture mentioned below (the "Trustee"). Interest on this bond will be payable by check or bank draft and will be mailed to the registered owner who shall appear on the registration books of the Issuer which shall be kept and maintained by the Registrar hereinafter mentioned, as determined on the 15th day of May and November (the "Record Date") (or, in the case of any proposed redemption of the bond, the day next preceding the date of the first publication of notice of such redemption); provided, that at the written request of a Registered Owner of \$1,000,000 or more of bonds, such interest shall be paid by wire transfer of funds to a bank account located in the United States as designated by such Registered Owner. Payment of the principal of, redemption premium, if any, and interest on this bond shall be made in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This bond is the duly authorized issue of revenue bonds, designated as Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project), Series 2015 (the "2015 Bonds") of the Issuer, limited to the aggregate principal amount of \$2,420,000 and authorized and issued under and pursuant to: (i) an ordinance of the Issuer duly adopted on May 20, 2015 (the "Resolution"); and (iii) a First Supplement to Trust Indenture (the "First Supplement to Indenture") from the Issuer to the Trustee dated as of May 1, 2015 supplementing the Trust Indenture dated January 1, 2013 (the "Original Indenture," together with the First Supplement to Indenture, the "Indenture"). Copies of the Indenture are on file in the office of the Issuer in Chicago, Illinois and at the principal corporate trust office of the Trustee. All capitalized terms used but not defined in this bond shall have the respective meanings assigned to such terms in the Indenture.

Pursuant to the First Supplement to Loan Agreement dated as of May 1, 2015 (the "First Supplement to Loan Agreement"), between the Issuer and Goldblatts of Chicago Limited Partnership, an Illinois limited partnership (the "Borrower"), supplementing the original Loan Agreement dated as of January 1, 2013 (as so supplemented the "Loan Agreement"), the Borrower is obligated to make payments to the Trustee in the amounts and at the times corresponding to the payments of principal of, redemption premium, if any, and interest on the 2015 Bonds (the "Bond Service Charges") when due. The obligations of the Borrower under the First Supplement to Loan Agreement are evidenced by a Promissory Note of the Borrower (the "2015 Note") which is secured by the Mortgage described below. By the Indenture, the Issuer has assigned its right, title and interest in and to the Loan Agreement (except for the Issuer's "Unassigned Rights" as defined in the Indenture) to the Trustee as security for the payment of the Bond Service Charges. The 2015 Bonds are issued under the Indenture on a parity with the Issuer's \$18,000,000 City of Chicago Multi-Family Housing Revenue Bonds (Goldblatts Supportive Living Project) Series 2013.

The 2015 Bonds are special limited obligations of the Issuer and the principal of, redemption premium, if any, and interest on the 2015 Bonds shall be payable solely from and secured by: (i) amounts paid by the Borrower under the Loan Agreement and the 2015 Note, (ii) an assignment to the Trustee of all the Issuer's rights (except for the Unassigned Rights under the Loan Agreement and the 2015 Note); (iii) a pledge of and security interest in all moneys and investments held by the Trustee under the Indenture, including any moneys representing earnings on monies held under the Indenture; (iv) a mortgage on the Borrower's ownership interest in certain property located generally at 4707 S. Marshfield Avenue and 1635 W. 47th Street within the territorial jurisdiction of the Issuer, as amended (the "Mortgage"); (v) the Security Agreement; (vi) the Assignment (as defined in the Indenture), (vii) the 2015 Note and (viii) the Collateral Assignment. None of the State of Illinois (the "State"), the Issuer, nor any other political subdivision or body corporate and politic, or agency, of the State or the Issuer (except to the

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limited extent provided herein) shall in any event be liable for the payment of the principal of, premium, if any, or interest on the 2015 Bonds or for the performance of any pledge, obligation or agreement of any kind whatsoever of the Issuer, and neither this bond nor any of the Issuer's agreements or obligations shall be construed to constitute an indebtedness of the State, the Issuer, or any other political subdivision or body corporate and politic of the State or the Issuer (except to the limited extent provided herein), within the meaning of any constitutional or statutory provision whatsoever.

This bond is transferable, as provided in the Indenture, only upon the registration books of the Issuer which are kept for that purpose at the corporate trust office of the Trustee in Chicago, Illinois, as registrar under the Indenture (the "Registrar"), or its successor as Registrar, upon surrender of this bond together with a written instrument of transfer which is satisfactory to the Registrar and which is duly executed by the registered owner or by such duly authorized attorney, and thereupon the Issuer shall issue in the name of the transferee a new registered 2015 Bond or 2015 Bonds, of the same aggregate principal amount and series, designation, maturity and interest rate as the surrendered 2015 Bond as provided in the Indenture, upon payment of the charges therein prescribed. The Issuer, the Trustee, the Registrar and any Paying Agent of the Issuer may treat and consider the person in whose name this bond is registered as the holder and absolute owner of this bond for the purpose of receiving payment of the principal of, redemption premium, if any, and interest due on the bond and for all other purposes.

The 2015 Bonds shall be subject to optional redemption, in whole or in part, after the required notice of redemption is given, as provided in the Indenture.

The 2015 Bonds are subject to mandatory redemption in whole on the earliest date after the required notice of redemption can be given following a Determination of Taxability but not less than 35 days following the Trustee's receipt of notice of such occurrence at a redemption price equal to 103% of the principal amount of the 2015 Bonds so redeemed, plus accrued interest to the redemption date. Notwithstanding anything in the Indenture to the contrary, the Trustee shall give prompt written notice of the occurrence of a Determination of Taxability to the Bondholders and the Borrower. All of the 2015 Bonds outstanding on the redemption date selected shall be redeemed on that date, except that 2015 Bonds subject to Mandatory Sinking Fund Redemption prior to that date, but after the selection thereof, shall be retired on that Mandatory Sinking Fund Redemption date at the same price as if they had been called for redemption on the redemption date. No other redemption premium shall be payable in the event of a Determination of Taxability.

The 2015 Bonds shall be subject to redemption in whole and not in part prior to maturity, at a redemption price of 100% of the principal amount to be redeemed plus accrued interest to the date fixed for redemption, upon the receipt by the Trustee of a written certification of the Borrower fixing a redemption date (which date shall be at least 45 days but not more than 60 days after the date of the certification), and stating that one of the following events has occurred: any insurance proceeds received by the Trustee as a result of damage to the Project or defective title are applied to the prepayment of the 2015 Note; condemnation and proceeds received by the Trustee are applied to the prepayment of the 2015 Note; the Borrower becomes subject to the Bankruptcy Code and the trustee in bankruptcy causes or directs prepayment of the Mortgage; or upon an event of default under the Loan Agreement and an acceleration of the 2015 Note.

The 2015 Bonds are subject to mandatory redemption, to the extent of excess moneys in the Bond Proceeds Account of the Acquisition and Rehabilitation Fund, at a redemption price equal to. 100% of the principal amount of the 2015 Bonds to be redeemed plus

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accrued interest to the redemption date, without redemption premium in the maximum principal amount of

Authorized Denominations permitted by the balance of moneys transferred to the Bond Fund as described in (ii) below and not otherwise necessary for the payment of principal of, redemption premium, if any, or interest on the 2015 Bonds within the next 12 months. Such redemption shall occur on the first Interest Payment Date upon which proper notice of redemption can be given following (i) delivery by the Borrower of the certificate pursuant to Section 3.3(d) of the Loan Agreement evidencing completion of the Project and (ii) the transfer of excess moneys, if any, from the Bond Proceeds Account of the Acquisition and Rehabilitation Fund to the Bond Fund pursuant to Section 3.3(d) of the Loan Agreement.

The 2015 Bonds are subject to mandatory redemption, in part or in whole, between June 1, 2017 and December 1, 2017, inclusive, from amounts paid by the Borrower to the Trustee under Section 4.2 (b) of the First Supplement to Loan Agreement or the Collateral Assignment, at a redemption price equal to 100% of the principal amount of the 2015 Bonds to be redeemed plus accrued interest to the redemption date, in the maximum principal amount of Authorized Denominations permitted by the amount of any such payment, on the first date on which proper notice of redemption can be given following receipt by the Trustee of such payment.

The 2015 Bonds are subject to mandatory sinking fund redemption on December 1 of each of the following years in the principal amounts set forth below at a redemption price equal to 100% of the principal amount, plus interest accrued through the redemption date:

Year (December 1)	Principal Amount
2018	\$115,000
2019	120,000
2020	130,000
2021	140,000
2022	155,000
2023	165,000
2024	180,000
2025	190,000
2026	210,000
2027	225,000
2028	245,000
2029	260,000
2030	285,000

A redemption of 2015 Bonds shall be a redemption of the whole or of any part of the Bonds from any funds available for that purpose in accordance with the provisions of the Indenture, provided, that there shall be no partial redemption of any 2015 Bond which would result in the unredeemed portion not being of an Authorized Denomination. If less than all the 2015 Bonds are called for redemption under any provision of the Indenture permitting such partial redemption, the particular 2015 Bonds to be redeemed shall be selected by the Trustee, in such manner as the Trustee in its discretion may deem fair and appropriate (except when the 2015 Bonds are held in a book-entry system, in which case the selection of 2015 Bonds to be redeemed will be made in accordance with the procedures established by DTC or any other applicable book-entry depository), in the principal amount designated to the Trustee by the Borrower or otherwise as required by this Indenture; provided, that the portion of any 2015 Bond to be redeemed shall be in an Authorized Denomination. If it is determined that a portion, but not all, of the principal amount represented by any such 2015 Bond is to be called for redemption,

then upon notice of intention to redeem such portion, the Registered Owner of such 2015 Bond upon surrender of such 2015 Bond to the Trustee for payment to such Registered Owner of the redemption price of the portion called for redemption shall be entitled to receive a new 2015 Bond or 2015 Bonds in the aggregate principal amount of the unredeemed balance of the principal amount of such 2015 Bond. New 2015 Bonds representing the unredeemed balance of the principal amount of such 2015 Bond shall be issued to the Registered Owner without charge. If the Registered Owner of any such 2015 Bond of a denomination greater than the principal amount to be redeemed shall fail to present such 2015 Bond to the Trustee for payment and exchange as aforesaid, such 2015 Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the portion of the principal amount called for redemption (and to that extent only).

If any of the 2015 Bonds are called for redemption, the Trustee shall give notice, in the name of the Issuer, of the redemption of such 2015 Bonds, by mailing a copy of such notice by certified mail or registered mail, postage prepaid not less than 30 nor more than 60 days prior to the redemption date which notice shall (i) specify the 2015 Bonds to be redeemed, the redemption date, the redemption price, and the place or places where amounts due upon such redemption will be payable (which shall be the Principal Office of the Trustee) and, if less than all of the 2015 Bonds are to be redeemed, the numbers of the 2015 Bonds, and the portion of the 2015 Bonds, so to be redeemed, (ii) state any condition to such redemption, and (iii) state that on the redemption date, and upon the satisfaction of any such condition, the 2015 Bonds to be redeemed shall cease to bear interest, provided that funds are available for such purpose on that date, and if funds are not available on such date, the redemption shall be deferred until funds are available. Such notice may set forth any additional information relating to such redemption. Such notice by mail shall be given at least 30 days and not more than 60 days prior to the date fixed for redemption to the holders of 2015 Bonds to be redeemed. No defect in any such notice shall in any manner defeat the effectiveness of the call for redemption.

Any 2015 Bonds and portions of 2015 Bonds which have been duly selected for redemption and which are deemed to be paid in accordance with Article VII of the Indenture shall cease to bear interest on the specified redemption date.

Official notice of redemption having been given as aforesaid, the 2015 Bonds or portions of 2015 Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price specified in the notice, and from and after such date (unless there is a default in the payment of the redemption price) such 2015 Bonds or portions of 2015 Bonds shall cease to bear interest. Upon surrender of such 2015 Bonds for redemption in accordance with said notice, such 2015 Bonds shall be paid by the Trustee at the redemption price. Upon surrender for any partial redemption of any 2015 Bonds, there shall be issued to the Registered Owner a new 2015 Bond or 2015 Bonds in the amount of the unredeemed principal in an Authorized Denomination. All 2015 Bonds which have been redeemed shall be canceled and destroyed by the Trustee and shall not be reissued.

In addition to the official notice of redemption, if the 2015 Bonds are not then held under a book-entry only system, further notice shall be given by the Trustee in the name of the Issuer as set out below; provided, that neither the failure to give any such notice nor any defect in any notice so given shall affect the sufficiency or validity of any proceedings for the redemption of the 2015 Bonds. Each further notice of redemption shall contain the information required for an official notice of redemption plus: (i) the CUSIP numbers of all 2015 Bonds being redeemed; (ii) the date of issue of the 2015 Bonds as originally issued; (iii) the rate of interest borne by each 2015 Bond being redeemed; (iv) the maturity date of each 2015 Bond being redeemed; and (v)

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any other descriptive information needed to identify accurately the 2015 Bonds being redeemed. Each further

notice of redemption shall be sent at least 30 days before the redemption date by certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of the type comprising the 2015 Bonds and to one or more national information services, chosen in the discretion of the Trustee, that disseminate notice of redemption of obligations such as the 2015 Bonds.

The Trustee shall at all reasonable times make available to any interested party complete information as to 2015 Bonds which have been redeemed or called for redemption.

It is certified, recited and declared that (a) all conditions, acts and things which are required by the Constitution or by the statutes of the State or by the Resolution or Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this bond exist, have happened and have been performed, and (b) the 2015 Bonds, together with all other indebtedness of the Issuer, are within every debt and other limit prescribed by said Constitution or statutes.

This bond shall not be entitled to any security or benefit under the terms of the Indenture or be valid or obligatory for any purpose unless the certificate of authentication has been duly executed by the Trustee upon original issuance and thereafter by the Registrar.

[Signature Page follows]

In Witness Whereof, the City of Chicago has caused the seal of the City to be impressed or reproduced on this bond and this 2015 Bond to be signed by the manual or facsimile signature of the Mayor and attested by the manual or facsimile signature of the City Clerk or the Deputy City Clerk.

City of Chicago

(manual or facsimile signature) Mayor

[Seal]

Attest:

(manual or facsimile signature)

Name: Susana A. Mendoza Title: City Clerk

Dated:

CERTIFICATE OF AUTHENTICATION

This is to certify that this bond is one of the 2015 Bonds described in the within-mentioned Indenture.

UMB BANK, N.A.,
as Trustee

By:

Authorized Officer

Date:

Assignment

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

TEN COM - as tenants in common

UNIF GIFT MIN ACT- Custodian
(cust) (minor)

Under Uniform Gifts to Minors Act of

TEN ENT - as tenants by the entireties

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

as tenants in common

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

undersigned sells, assigns and transfers unto
the within Bond and irrevocably constitutes
attorney to transfer the said Bond on the

For value received the

and appoints

books kept for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guarantee:

Notice: Signature(s) must be guaranteed by a member firm of the New York Stock Exchanges or a commercial bank, trust company, national association or other banking institution incorporated under the laws of the United States or a state of the United States.

Signature:

Notice: The signature on this Assignment must correspond with a name that appears upon the face of the within Bond in particular, without alteration, enlargement or any change whatever.

The Trustee and Bond Registrar will be required to register a Bond in the name of a transferee only if provided with the information requested below. The transferee (or his or her designated representative) should provide as much of the information requested below as is applicable to him or her prior to submitting this Bond transfer.

Name:

Address:

Social Security or Employee Identification Number:

If a Trust. Name and Address of Trustee:

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