ORDINANCE

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, HPUMC Redevelopment Limited Partnership, an Illinois limited partnership (the "Borrower"), whose managing partner is 2120 Mozart LLC, an Illinois limited liability company, the sole member of which is Latin United Community Housing Association, an Illinois not for profit corporation, intends to acquire the property located at 2120 North Mozart Street, Chicago, Illinois 60647 (the "Property"); and

WHEREAS, the Borrower has proposed to construct a certain low-income housing development on the Property consisting of a building that will contain 22 rental dwelling units ("the "Project"); and

WHEREAS, the Borrower has requested that the City issue multi-family housing revenue bonds, notes or other indebtedness in an amount not to exceed $10,000,000 (the "Bonds") for the purpose of financing a portion of the Project costs, including the Eligible Project Costs (as defined herein); 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 of the proceeds thereof ("Bond Proceeds") to the Borrower for the purpose of financing a portion of the Project costs, as well as costs incurred in connection with the issuance of the Bonds and funding certain reserves, if required, 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 $10,000,000.

SECTION 3. Certain Eligible Project Costs will be incurred by the Borrower 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.

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.