

Ordinance Exhibit A

BORROWER: MHL 2 Prairie District Apartments-Wabash LP, an Illinois limited partnership and single purpose entity created for the purposes of owning the Project (the "**Borrower**"), the general partner of which is MHL 2 Prairie District Apartments-Wabash GP LLC, an Illinois limited liability company (the "**General Partner**"); of which Mercy Housing Lakefront, an Illinois not-for-profit corporation, is the manager and a member (the "**Managing Member**"), of which Mercy Housing, Inc., an Illinois not-for-profit corporation, is the sole member (the "**Sole Shareholder**").

PROJECT: Acquisition of a six-story building located generally at 1801 S. Wabash Avenue in Chicago, Illinois (the "**Property**") and the rehabilitation thereof to contain 100 studios (the "**Units**") affordable for rental to households earning at or below 80 percent of the area median income with at least 40 percent or more of the Units occupied by households earning 60 percent or less of the area median income, as well as a ground floor devoted to residential amenities and community space, known as Prairie District Apartments (collectively, the "**Project**").

1. **BONDS**

Amount: Not to exceed \$30,000,000
Source: Proceeds from the issuance of the Bonds
Term: 5 years or another term acceptable to the Authorized Officer
Interest: 6 percent or such other rate acceptable to the Authorized Officer
Security: Eligible Funds

ADDITIONAL FINANCING

1. **CONSTRUCTION LOAN**

Amount: \$30,000,000*, or another amount acceptable to the Commissioner
Term: 5 years, or another term acceptable to the Commissioner
Source: CIBC Bank, USA, or another source acceptable to the Commissioner
Interest: 30-day SOFR + 260 basis points, or another rate acceptable to the Commissioner
Security: Mortgage on the Project (the "**Senior Mortgage**")

*to be repaid with a portion of the syndication of the low-income housing tax credit allocation by the City, the Donation Tax Credit Proceeds, the City Loan, the IHDA Loan and ComEd grant proceeds

2. **DONATION TAX CREDIT PROCEEDS LOAN ***

Amount: Approximately \$6,584,570 or another amount acceptable to the Commissioner
Term: 33 years, or another term acceptable to the Commissioner
Source: The proceeds of the sale of Illinois Affordable Housing Tax Credits received by Mercy Housing Lakefront, an Illinois not-for-profit corporation, or another source acceptable to the Commissioner, which proceeds will subsequently be loaned to the Borrower
Interest: Zero percent per annum or another rate acceptable to the Commissioner.

Security: Non-recourse loan; mortgage on the Property junior to the Senior Mortgage and the City Mortgage

* in lieu of a loan as described above, the Donation Tax Credit proceeds may be contributed in whole or in part as a capital contribution

3. **CITY LOAN**

Amount: Not to exceed \$10,968,816

Source: City of Chicago Multi-Family Program Funds or such other source acceptable to the Commissioner

Term: 30 years plus construction period or such other term acceptable to the Commissioner

Interest: 4% per annum or such other rate acceptable to the Commissioner

Security: Mortgage on the Project; junior to the Senior Mortgage, and/or such other security acceptable to the Commissioner (the "**City Mortgage**")

4. **EDI GRANT**

Proceeds: Approximately \$2,000,000 or such other amount acceptable to the Commissioner

Source: Economic Development Initiative, Community Project Funding Grant (by the United States Department of Housing and Urban Development) to Mercy Housing Lakefront or another entity approved by the Commissioner, which subsequently loaned or capitally contributed to the Borrower

Structure: This amount can be structured as a capital contribution or as an additional secured loan, similar to other subordinate loans set forth on this Ordinance Exhibit A

5. **SPONSOR LOANS**

Proceeds: Approximately \$1,213,511 or such other amount acceptable to the Commissioner

Source: Various grant sources, including without limitation Federal Home Loan Bank, ComEd, and EPIC, which will be received by Mercy Housing Lakefront and contributed or loan to the Borrower or such other source acceptable to the Commissioner

Structure: This amount can be structured as a capital contribution or as an additional secured loan or as multiple secured loans, similar to other subordinate loans set forth on this Ordinance Exhibit A.

6. **LOW-INCOME HOUSING TAX CREDIT ("LIHTC") EQUITY**

Proceeds: Approximately \$13,948,578 or such other amount acceptable to the Commissioner, all or a portion of which may be paid in on a delayed basis

Source: To be derived from the syndication of the LIHTCs generated by the issuance of the Bonds

7. **IHDA LOAN**

Amount: Approximately \$5,240,000

Source: IHDA Subordinate Resource

Term: 30 years plus construction period or such other term acceptable to the Commissioner

Interest: 0% per annum or such other rate acceptable to IHDA

Security: Mortgage on the Project; junior to the Senior Mortgage and the City Mortgage, or such other security acceptable to the Commissioner

8. **SELLER FINANCING**

Amount: Approximately \$12,500,000, which may be adjusted up to the fair market value as determined by an appraisal of the Property prior to closing and to account for payables due in cash at closing, or such other amount acceptable to the Commissioner

Term: 30 years plus construction period or such other term acceptable to the Commissioner

Source: Seller financing from Mercy Housing Lakefront, an Illinois not-for-profit corporation or another entity acceptable to the Commissioner

Interest: Approximately 4% or another rate acceptable to the Commissioner, in no event less than the Applicable Federal Rate the month of closing

Security: Mortgage on the Property junior to the lien of the City Mortgages or as otherwise acceptable to the Commissioner