

76

95072643

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

95 NOV 29 AM 11:56

MARGARETTE CLEVELAND
RECORDER

**Document is
NOT OFFICIAL!**

DECLARATION OF

**This Document is the property of
EXTENDED LOW INCOME HOUSING COMMITMENT
the Lake County Recorder!**

BY

Douglas Pointe II Assoc. W.P.

Dated: November 9, 1995

***FOR USE WITH ALL PROJECTS, INCLUDING PROJECTS
FINANCED WITH TAX-EXEMPT BONDS**



Project Name: Douglas Pointe

Project Location: Hammond, IN

Gough & Gough Inc
BY 1473
Valps. 44384
w: \wpdata\rfis\lhf\declaration.95t

49.00
su
revised-10/27/94
ck# 003245

DECLARATION OF
EXTENDED LOW-INCOME HOUSING COMMITMENT

BY

Douglas Pointe II Associates L.P.

Table of Contents

<u>Section</u>	<u>Page</u>
Preambles.....	1
1. Incorporation of Recital Provisions.....	2
2. Definitions.....	2
3. Recording and Filing.....	2
4. Covenants to Run with the Property.....	3
5. Representations, Covenants and Warranties of Developer..	3
6. Term of Declaration.....	6
7. Indemnification of Authority.....	7
8. Miscellaneous.....	8
Exhibit A Legal Description	
Exhibit B Consent of Mortgagee	
Exhibit C Certification of Continuing Program Compliance	
Exhibit D Additional Project Requirements	

DECLARATION OF
EXTENDED LOW-INCOME HOUSING COMMITMENT

THIS DECLARATION OF EXTENDED LOW-INCOME HOUSING COMMITMENT (this "Declaration"), dated this 9th day of November, 1995 by Douglas Pointe II, Assoc. L.P. (the "Developer"), is made as a condition precedent to the allocation and availability of low-income housing tax credits for residential rental projects including projects financed by qualified tax-exempt bonds.

WITNESSETH That:

WHEREAS, Developer is or shall be the owner of a 112 unit rental housing development known as Douglas Pointe Apartments, generally located in the City (Township) of Hammond, County of Lake, Indiana, as more particularly described in Exhibit A, attached hereto and made a part hereof (the "Project");

WHEREAS, the development, rehabilitation, maintenance and operation of the Project may now or hereafter be financed through a mortgage loan (the "Loan"), the indebtedness of which may be evidenced by a note and may be secured by a first mortgage lien on the Project and other security instruments (collectively, the "Loan Documents");

WHEREAS, if the Project is to be financed with qualified tax exempt bonds, Fifty Percent (50%) or more of the aggregate basis of the Project, including the land upon which the building(s) is(are) located, is financed by the loan;

WHEREAS, the Indiana Housing Finance Authority, a public body corporate and politic of the State of Indiana (the "Authority") has been designated by the Governor of the State of Indiana as the housing tax credit agency for the State of Indiana, responsible for the allocation of low income housing tax credit dollars (the "Credit");

WHEREAS, Developer has applied to the Authority for a Credit allocation for the Project in an amount not to exceed Five Hundred Ninety Eight Thousand, Three Hundred Ninety Three - Dollars (\$598,393.00) annually, and further, not to exceed Five Million, Nine Hundred Eighty Three Thousand, Nine Hundred Thirty - Dollars (\$5,983,930.00) over the ten (10) year credit period.

WHEREAS, Developer and the Project must continuously comply with Section 42 and other applicable sections of the Internal Revenue Code of 1986 and the Treasury Regulations and rulings thereunder relating to the Credit, each as amended from time to time (collectively, the "Code") and the 1995 Low-Income Housing Tax Credit Allocation Plan for the State of Indiana (the "Allocation Plan");

WHEREAS, compliance with the Code and the Allocation Plan is the sole responsibility of Developer;

WHEREAS, Developer has represented to the Authority in Developer's Application for Reservation of 1995 Credits and Application for Final Allocation of 1995 Credits (the "Application") that it shall comply with all leasing requirements of the Code and it shall lease not less than 40% of the units in the Project to individuals or families whose income is 100% or less of area median gross income (including adjustments for family size) as determined in accordance with the Code ("Qualifying Tenants") and that the "applicable fraction" (as defined in Section 42(c)(1)(B) of the Code) for each building for each taxable year in the "extended use period" (as defined in paragraph 6(a) below) shall not be less than ~~One Hundred~~ percent (100%);

WHEREAS, the Code requires, as a condition precedent to the availability of Credits for the Project, that Developer execute, deliver and record this Declaration in the official real property records of the county in which the Project is located, to create certain covenants running with the land upon which the Project is situated (the "Property") for the purpose of enforcing the requirements of the Code; and

WHEREAS, Developer intends, declares and covenants that the terms and conditions set forth herein governing the use, occupancy and transfer of the Project shall be and are covenants running with the Property for the term stated herein, to be binding upon all subsequent owners of the Property for such term;

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Developer covenants and declares as follows:

1. Incorporation of Recital Provisions. The recital provisions set forth above are hereby incorporated into this Declaration.

2. Definitions. Unless otherwise defined herein, all words and phrases defined in the Code shall have the same meanings in this Declaration.

3. Recording and Filing. Developer shall cause this Declaration and all amendments hereto approved by the Authority, if any, to be recorded and filed in the office of the Recorder of Lake County, Indiana, and Developer shall pay all fees and charges in connection therewith. Upon recording, Developer shall immediately transmit to the Authority an executed original of the recorded Declaration showing the recording date and instrument number or deed book and page numbers of record. Developer acknowledges that the Authority will not issue Internal Revenue Service Form 8609 ("Form 8609"), unless and until the Authority has received the executed, recorded original of this Declaration.

4. Covenants to Run with the Property. Developer intends, declares and covenants, on behalf of itself and all future owners and operators of the Property during the term of this Declaration, that this Declaration and the terms, conditions, covenants and restrictions set forth herein:

a. regulate and restrict the use, occupancy and transfer of the Property;

b. are not merely personal covenants of Developer;

c. shall be and are covenants running with the Property, encumbering the Property for the term of this Declaration, binding upon Developer's successors in title and all subsequent owners and operators of the Property; and

d. shall inure to the benefit of any and all present and future tenants of the Project and their respective successors and assigns.

Document is NOT OFFICIAL!
This Document is the property of the Lake County Recorder.

Developer hereby agrees that any and all requirements of the laws of the State of Indiana which must be satisfied so that the provisions of this Declaration constitute valid and binding deed restrictions and covenants running with the Property shall be satisfied in full. Throughout the term of this Declaration, the covenants and restrictions contained herein shall survive and be effective regardless of whether any contract, deed or other instrument hereafter executed conveying the Property or a portion thereof provides that such conveyance is subject to this Declaration. Developer agrees to obtain the consent of any prior recorded lien holder on the Property to this Declaration, which consent shall be in the form set forth on Exhibit B, attached hereto and made a part hereof, and such consent shall be recorded with this Declaration as a condition precedent to the issuance of Form 8609 by the Authority.

5. Representations, Covenants and Warranties of Developer. Developer hereby represents, warrants and covenants during the term hereof that:

(a) Developer(i) is a Corporation duly organized and existing under the laws of the State of Indiana, and is duly qualified to transact business under the laws of the State of Indiana, (ii) has the power and authority to own its properties and assets and to carry on its business as now being conducted and as contemplated by this Declaration and the Loan Documents, and (iii) has the full legal right, power and authority to execute and deliver this Declaration and to perform all obligations provided hereunder.

(b) The execution and performance of this Declaration and the Loan Documents (i) will not violate or, as applicable, have not violated any provision of law, rule or regulation, or any order of any court or other agency or governmental body,

and (ii) will not violate or, as applicable, have not violated any provision of any indenture, agreement, mortgage, mortgage note, or other instrument to which Developer is a party or by which it or its property is bound, and (iii) will not result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature.

(c) Developer has good and marketable title to the Property, free and clear of any lien or encumbrance, subject only to encumbrances created by or permitted pursuant to the Loan Documents.

(d) There is no action, suit or proceeding at law or in equity or by or before any governmental instrumentality or other agency now pending, or, to the best of its knowledge or belief, threatened against or affecting it, or any of its properties or rights, which, if adversely determined, would impair its right to carry on business as now conducted and as contemplated by this Declaration and the Loan Documents, or would adversely affect its financial condition, or would adversely affect the Lake County its order commitments under this Declaration.

(e) The Project constitutes or will constitute a qualified low-income building or qualified low-income project, as applicable, as provided and defined in the Code.

(f) Developer shall not take, fail to take nor permit to be taken any action which would have the effect, directly or indirectly, of subjecting itself or the Project to non-compliance with the Code.

(g) All units subject to the Credit shall, as required by the Code, be leased, rented or made available to members of the general public who are Qualified Tenants (or otherwise qualify for occupancy of the low-income units) pursuant to the Code.

(h) Developer shall strictly obey, comply with and observe all laws, rules, regulations and executive orders of all federal, state and local governments and regulatory bodies, as from time to time amended, which are applicable to the Project or the Credits available to the Project.

(i) The Project shall comply with the occupancy and rent restriction requirements of the Code, the Allocation Plan and the additional requirements set forth on Exhibit D attached hereto and made a part hereof, which requirements Developer agreed to satisfy pursuant to the Application (collectively, the "Occupancy Restrictions")

(j) Subject to the requirements of the Code, Developer may sell, transfer or exchange the Project; provided, however, such sale, transfer or exchange shall be voidable by the

Authority if the Authority is not first notified in writing and provided with the identity of the buyer or other successor of Developer's interest in the Project, together with such other information requested by the Authority. The foregoing shall not apply to the Project if it is acquired by foreclosure (or instrument in lieu of foreclosure) unless the Internal Revenue Service or the Authority determines that such acquisition is part of an arrangement with the Developer, or its successors or assigns, a purpose of which is to terminate the extended use period (as set forth in paragraph 6). This subparagraph shall not act to waive any other restriction on sale, transfer or exchange of the Project.

(k) Developer shall maintain and use the Project as residential property and shall not permit the use of any residential rental unit for any purpose other than rental housing, as provided by the Code.

(l) Developer has not and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof, and that in any event, the requirements of this Declaration are paramount and controlling as to the rights and obligations herein set forth and supersede any other provisions in conflict herewith.

(m) Developer shall immediately give written notice to the Authority of any situation, event or condition which would result in non-compliance of the Project or Developer with the Code, the Allocation Plan or the Occupancy Restrictions.

(n) All units occupied by Qualifying Tenants shall be of comparable construction quality to other comparable units in the Project.

(o) Subject to the rights of the lender under the Loan Documents, if the Project or any part thereof shall be damaged or destroyed, Developer will use its best efforts to repair and restore the Project to substantially the same condition as existed prior to the event causing such damage or destruction.

(p) Developer will not take, fail to take nor permit any action that would result in a violation of the requirements of the Code or this Declaration. Moreover, Developer covenants to take any lawful action (including amendment of this Declaration as may be necessary) to comply fully with the Code.

(q) THE AUTHORITY AND THE QUALIFYING TENANT(S) (OR EITHER OR ALL OF THEM) SHALL BE ENTITLED, FOR ANY BREACH OF THE PROVISIONS HEREOF, AND IN ADDITION TO ALL OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY, TO ENFORCE SPECIFIC PERFORMANCE BY DEVELOPER OF ITS OBLIGATIONS UNDER THIS DECLARATION IN A STATE COURT OF COMPETENT JURISDICTION. Developer hereby further acknowledges that the beneficiaries of Developer's

obligations hereunder cannot be adequately compensated by monetary damages in the event of any breach hereof.

(r) If at any time the Authority deems it appropriate or necessary to monitor the Project and/or Occupancy Restrictions, then Developer shall cooperate with the Authority and its agents, and shall comply with all applicable requirements. Developer shall pay all monitoring and other fees imposed by the Authority.

(s) Income certifications consistent with the Code ("Income Certifications") will be maintained on file at the Project or at the principal office of the Developer with respect to each Qualifying Tenant who resides in a Project unit (or resided therein during the immediately preceding calendar year), and Developer will, promptly upon receipt of notice from the Authority, provide a copy thereof to the Authority, together with a true and accurate Certification of Continuing Compliance in the form set forth on Exhibit C, attached hereto and made a part hereof.

(t) The representations and covenants set forth herein may be relied upon by the Authority and all persons interested in Project compliance under the Code.

(u) Developer shall enter into all amendments hereto which, in the opinion of the Authority and/or its counsel, are reasonably necessary or desirable for maintaining compliance with the Code.

(v) Developer shall execute any and all other documents required by the Code, the Allocation Plan and any other documents which the Authority or the Authority's counsel may from time to time require.

(w) Developer shall not refuse to lease to a holder of a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder.

6. Term of Declaration.

(a) The terms, conditions, covenants and restrictions of this Declaration shall commence on the first day on which the first residential unit in the Project is placed in service and end on the date which is the later of (i) fifteen (15) years after the close of the fifteen (15) year compliance period for the Project (being the 30 year extended use period) or (ii) the expiration of the extended use period, if any, set forth on Exhibit D hereto (the longer of such periods set forth in paragraphs 6(a)(i) and 6(a)(ii) being referred to herein as the "extended use period"), pursuant to the Code.

(b) Notwithstanding paragraph 6(a) above, but subject to paragraph 6(c) below, the extended use period for any building which is a part of the Project shall terminate:

(i) on the date such building is acquired by foreclosure or instrument in lieu of foreclosure, unless the Internal Revenue Service or the Authority determines that such acquisition is part of an arrangement with the Developer, or its successors or assigns, a purpose of which is to terminate the extended use period; or

(ii) on the last day of the fifteen (15) year compliance period or fifteen (15) years prior to the expiration of any extended use period set forth on Exhibit D hereto, whichever occurs later, if Developer has properly requested, pursuant to the Code and such other requirements of the Authority which may then be applicable, that the Authority present a qualified contract for the acquisition of the low-income portion of any part of the Project and the Authority is unable to procure a qualified contract.

(c) Notwithstanding paragraph 6(b) above, the termination of an extended use period shall not be construed to permit:

(i) The eviction or the termination of tenancy (other than for good cause) of an existing tenant of any low-income unit before the close of the three (3) year period following such termination, or

(ii) Any increase in the gross rent with respect to such unit not otherwise permitted under the Code before the close of the three (3) year period following such termination.

(iii) Violation of any other covenants or obligations set forth on Exhibit D hereto.

7. Indemnification of Authority. Developer hereby releases, saves harmless and shall indemnify the Authority of and from any and all claims, losses, damages, expenses or judgments which the Authority might incur as a result of allocation of the Credit to the Project or the recapture of any portion of the Credit by any appropriate governmental agency.

ANY ACTION, REVIEW, RECOMMENDATION, APPROVAL, OR OTHER ACTIVITY TAKEN BY OR ON BEHALF OF THE AUTHORITY DOES NOT, EXPRESSLY OR IMPLIEDLY, DIRECTLY OR INDIRECTLY, SUGGEST, REPRESENT OR WARRANT THAT THE DEVELOPER OR THE PROJECT QUALIFY FOR THE CREDIT, OR THAT THE PROJECT COMPLIES WITH APPLICABLE STATUTES AND REGULATIONS OR THAT THE PROJECT IS OR WILL BE ECONOMICALLY FEASIBLE. DEVELOPER ACKNOWLEDGES IT IS SOLELY RESPONSIBLE FOR SUCH MATTERS.

8. Miscellaneous

(a) Successors Bound. Throughout the term hereof, this Declaration and the covenants and conditions contained herein shall run with the land and shall bind, and the benefits shall inure to, respectively, Developer and its successors and assigns and all subsequent owners of the Property, the tenants located or to be located on the Property, (as set forth in paragraph 4(d)), the Authority and its successors and assigns.

(b) Amendment. This Declaration may be amended only with the prior written approval of the Authority. No amendment to this Declaration may be made without the prior written approval of the Authority.

(c) Severability. The invalidity of any clause, part or provision of this Declaration shall not affect the validity of the remaining portions thereof.

(d) Notice. Notices to be given pursuant to this Declaration shall be in writing and shall be deemed given when mailed by certified mail to the parties hereto at the addresses set forth below, or to such other place as a party may from time to time designate in writing.

To the Authority:

Indiana Housing Finance Authority
115 West Washington Street
South Tower, Suite 1350
Indianapolis, Indiana 46204
ATTN: Tax Credit Administrator

To Developer:

Dennis Bunte II Assoc, Inc
P.O. Box 1473
Valparaiso, IN 46384

The Authority and Developer, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

(e) No Remedy Exclusive. No remedy herein conferred upon or reserved is intended to be exclusive of any other available remedy, but each remedy shall be cumulative and shall be in addition to other remedies given under this Declaration or existing at law or in equity. No delay or failure to exercise any right or power accruing hereunder shall impair any other right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient.

(f) Construction. As used herein, the singular shall be deemed to mean and include the plural and the masculine to mean and to include the feminine and the neuter, where

EXHIBIT A

LEGAL DESCRIPTION - RESIDUAL LAND

A tract of land in the City of Hammond, North Township, County of Lake, State of Indiana, being a part of the Southwest Quarter and the Southeast Quarter of Section 36, Township 37 North, Range 10 West of the Second Principal Meridian and the Northeast Quarter of Section 1, Township 36 North, Range 10 West of the Second Principal Meridian, and more particularly described as beginning at a point on the Southerly line of dedicated and occupied 60-foot wide Douglas Street, Douglas Street appearing as a 60-foot wide street on the recorded plat of Towl and Young's Addition, Plat Book 1, Page 58, said point of beginning on the South line of 60-foot wide Douglas Street being 400 feet Westerly of the Westerly line of dedicated and occupied 60-foot wide Sohl Avenue, said Westerly line being 30 feet West of and parallel to the East line of the West one-half of the Southeast Quarter of said Section 36; thence Southerly on a line parallel to and 400 feet Westerly of the West line of aforesaid Sohl Avenue for a distance of 800 feet; thence Easterly on a line that is parallel to and 800 feet South of the southerly line of aforesaid Douglas Street for a distance of 400 feet to the Westerly line of aforesaid Sohl Avenue; thence Southerly on said Westerly line of Sohl Avenue for a distance of 636.6 feet to the North line of the 200-foot by 400-foot parcel of land in the Northwest corner of Sohl Avenue and Carroll Street centerline projected Westerly said North line being 200 feet North of and parallel to the centerline projection of Carroll Street; thence Westerly on said North line which is parallel to and 200 feet North of the Westerly projection of the centerline of Carroll Street for a distance of 400 feet; thence Southerly on a line parallel to and 400 feet Westerly of the West line of aforesaid Sohl Avenue for a distance of 200 feet; thence Easterly on the Westerly projection of Carroll Street for a distance of 213.01 feet to a point that is 186.99 feet Westerly of the West line of aforesaid Sohl Avenue; thence South 20 degrees 10 minutes West on the West line of the tract of land owned by School City of Hammond and described in Deed Record 1225, Page 392, in the Recorder's Office, Lake County, Indiana, for a distance of 198.84 feet; thence South 02 degrees 49 minutes East for a distance of 650.8 feet; thence South 17 degrees 16 minutes East for a distance of 254.75 feet; thence North 89 degrees 38 minutes East for a distance of 53 feet to a line that is parallel to and 85 feet West of the Westerly line of what is now dedicated and occupied 80-foot wide Sohl Avenue; thence Southerly on said 85-foot parallel line for a distance of 160 feet; thence North 89 degrees 38 minutes East for a distance of 85 feet to the Westerly line of dedicated and occupied 80-foot wide Sohl Avenue; thence Southerly on said Westerly line of Sohl Avenue to a point which is 102.66 feet Northeasterly from the center line of the Chicago and Erie right of way, measured at right angles thereto; thence Southeasterly at an angle of 145

degrees 51 minutes 30 seconds a distance of 684.54 feet, more or less, to the North line of dedicated and occupied 80 foot wide Highland Street, thence Westerly on the North line of said Highland Street for a distance of 13.7 feet to the Easterly line of a 99-foot original right of way of C and A Railway Company as purchased and occupied since 1881; thence Northwesterly on the Easterly line of said 99-foot original right of way of the C and A Railway Company for a distance of 1,376.8 feet to a point of curve; thence Northwesterly on a curve of 3,224.78 foot radius, convex to the Southwest, with a deflection angle of 27 degrees 16 minutes to the right and an arc distance of 1,534.54 feet to a point of tangent; thence continuing Northwesterly on said Easterly line of the 99-foot right of way for a distance of 1,191.4 feet to the South line of aforesaid 60-foot wide Douglas Street; thence Easterly along the Southerly line of Douglas Street 904.6 feet to the Point of Beginning;

Excepting therefrom the parcel described as follows:

A parcel of land in the southwest Quarter and the Southeast Quarter of section 36, Township 37 North, Range 10 West of the Second Principal Meridian, County Record located in the City of Hammond, Lake County, Indiana and described as follows:

BEGINNING at a point on the south right-of-way line of Douglas Street (said South right-of-way line having a bearing of N 89 degrees 58 minutes 00 seconds W and being a dedicated 60 foot right-of-way) which is 651.50 feet West of the West line of Sohl Avenue (said West line being 30 feet West of and parallel with the East line of the West One-Half of said Southeast Quarter), said point being the point of curve of a curve concave Southeasterly having a radius of 40.00 feet; thence Southwesterly along said curve an arc length of 62.83 feet (chord bearing S 45 degrees 02 minutes 02 seconds W, chord length 56.57 feet, delta angle 89 degrees 59 minutes 56 seconds) to the point of tangent of said curve; thence S 00 degrees 02 minutes 04 seconds W 46.03 feet to the point of curve of a curve concave Easterly having a radius of 686.20 feet; thence Southerly along said curve an arc length of 89.87 feet (chord bearing South 03 degrees 43 minutes 04 seconds E, chord length 89.81 feet, delta angle 07 degrees 30 minutes 15 seconds) to the point of tangent of said curve; thence S 07 degrees 28 minutes 11 seconds E 9.12 feet to a point on a non-tangent curve concave Southwesterly having a radius of 95.00 feet; thence Southeasterly along said curve an arc length of 159.47 feet (chord bearing S 30 degrees 58 minutes 15 seconds E, chord length 141.40 feet, delta angle 96 degrees 10 minutes 52 seconds); thence along a line non-tangent with the preceding curve S 88 degrees 08 minutes 16 seconds E 9.26 feet to the point of curve of a curve concave Southwesterly having a radius of 61.81 feet; thence Southeasterly along said curve an arc length of 72.86 feet (chord bearing S 54 degrees 22 minutes 10 seconds E, chord length 68.71 feet, delta angle 67 degrees 32 minutes 12

seconds) to the point of tangent of said curve; thence S 20 degrees 36 minutes 04 seconds E 11.07 feet to the point of curve of a curve concave Westerly having a radius of 578.11 feet; thence Southerly along said curve an arc length of 191.67 feet (chord bearing S 11 degrees 06 minutes 10 seconds E, chord length 190.80 feet, delta angle 18 degrees 59 minutes 48 seconds) to the point of tangent of said curve; thence along a line non-tangent with the preceding curve S 86 degrees 26 minutes 52 seconds W 157.02 feet; thence N 52 degrees 04 minutes 41 seconds W 153.00 feet to a point on a non-tangent curve concave Northwesterly having a radius of 793.94 feet; thence Southwesterly along said curve an arc length of 79.38 feet (chord bearing S 40 degrees 47 minutes 10 seconds W, chord length 79.34 feet, delta angle 05 degrees 43 minutes 43 seconds) to the point of tangent of said curve; thence S 43 degrees 39 minutes 02 seconds W 45.61 feet to the point of curve of a curve concave Southeasterly having a radius of 171.04 feet; thence Southwesterly along said curve an arc length of 185.09 feet (chord bearing S 12 degrees 38 minutes 59 seconds W, chord length 176.19 feet, delta angle 62 degrees 00 minutes 05 seconds) to the point of tangent of said curve; thence S 18 degrees 21 minutes 03 seconds E 94.04 feet to the point of curve of a curve concave Westerly having a radius of 348.31 feet; thence Southerly along said curve an arc length of 153.19 feet (chord bearing South 05 degrees 45 minutes 03 seconds E, chord length 151.96 feet, delta angle 25 degrees 12 minutes 00 seconds) to the point of tangent of said curve; thence S 06 degrees 50 minutes 57 seconds W 60.00 feet to the point of curve of a curve concave Easterly having a radius of 279.71 feet; thence Southerly along said curve an arc length of 133.70 feet (chord bearing S 06 degrees 50 minutes 41 seconds, chord length 132.43 feet, delta angle 27 degrees 23 minutes 16 seconds) to the point of compound curve of a curve concave Northeasterly having a radius of 160.99 feet; thence Southeasterly along said curve an arc length of 144.01 feet (chord bearing S 46 degrees 09 minutes 52 seconds E, chord length 139.25 feet, delta angle 51 degrees 15 minutes 06 seconds) to the point of compound curve of a curve concave Northerly having a radius of 338.31 feet; thence Easterly along said curve an arc length of 123.74 feet (chord bearing S 82 degrees 16 minutes 07 seconds E, chord length 123.05 feet, delta angle 20 degrees 57 minutes 25 seconds) to the point of tangent of said curve; thence N 87 degrees 15 minutes 10 seconds E 118.74 feet; thence S 02 degrees 44 minutes 50 seconds E 60.00 feet; thence S 18 degrees 01 minutes 09 seconds W 216.22 feet; thence N 89 degrees 58 minutes 00 seconds W 440.00 feet to a point on the Easterly line of the 99 foot original right-of-way line of the C and A Railway Company, said point being on a curve concave Easterly having a radius of 3224.67 feet; thence Northerly along said curve on said Easterly right-of-way line an arc length of 365.45 feet (chord bearing N 13 degrees 12 minutes 48 seconds W, chord length 365.26 feet, delta angle 06 degrees 29 minutes 36 seconds) to the point of tangent of said curve; thence continuing along said Easterly right-of-way line N 09 degrees 58 minutes 00

seconds W 927.39 feet; thence S 89 degrees 58 minutes 00 seconds E 463.06 feet to a point on a non-tangent curve concave Southeasterly having a radius of 95.00 feet; thence Northeasterly along said curve an arc length of 88.18 feet (chord bearing N 37 degrees 31 minutes 51 seconds E, chord length 85.05 feet, delta angle 53 degrees 10 minutes 55 seconds) to a point on said curve; thence along a line non-tangent to said preceding curve N 07 degrees 28 minutes 11 seconds W 9.12 feet to the point of curve of a curve concave Easterly having a radius of 746.20 feet; thence Northerly along said curve an arc length of 97.73 feet (chord bearing N 03 degrees 43 minutes 04 seconds W, chord length 97.66 feet, delta angle 07 degrees 30 minutes 15 seconds) to the point of tangent of said curve; thence N 00 degrees 02 minutes 04 seconds E 46.03 feet to the point of curve of a curve concave Southwesterly having a radius of 40.00 feet; thence Northwesterly along said curve an arc length of 62.83 feet (chord bearing N 44 degrees 57 minutes 58 seconds W, chord length 56.57 feet, delta angle 90 degrees 00 minutes 04 seconds) to the point of tangent of said curve, This point being on said south right-of-way line of Douglas Street; thence S 89 degrees 58 minutes 00 seconds E along said South right-of-way line 140.00 feet to the point of beginning; said parcel containing 548,557 square feet/12.593 acres, more-or-less.

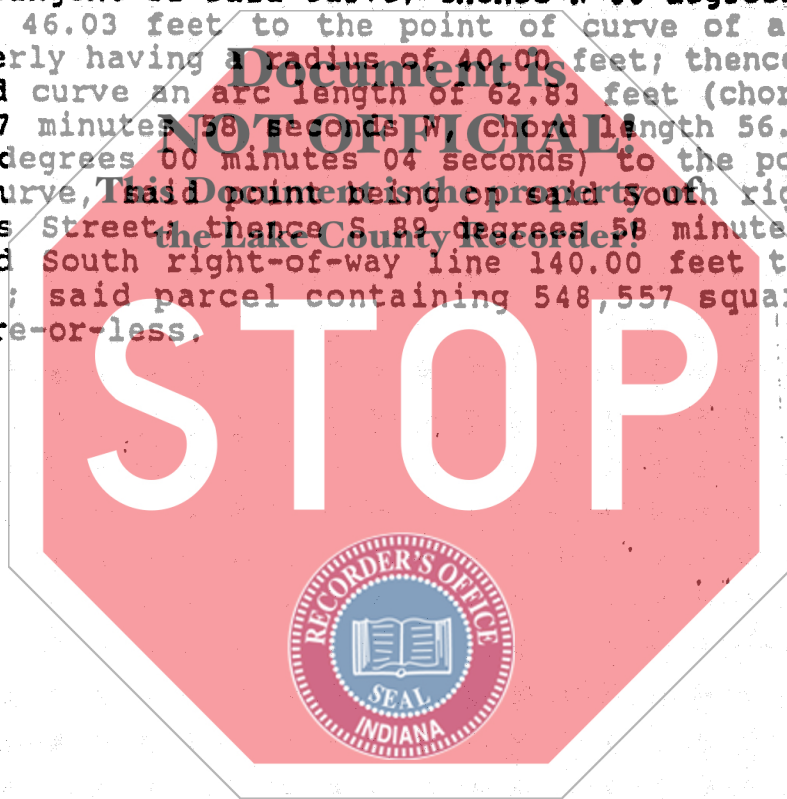


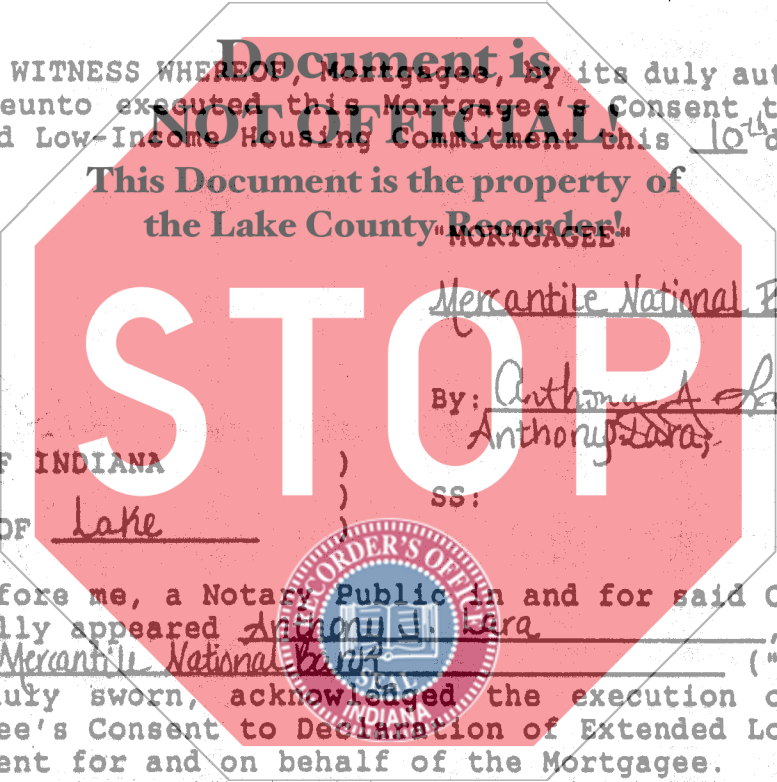
EXHIBIT B

MORTGAGEE'S CONSENT TO DECLARATION OF
EXTENDED LOW-INCOME HOUSING COMMITMENT

Mercantile National Bank, being the mortgagee of record (the "Mortgagee") pursuant to a mortgage recorded as Instrument No. 94085864, and filed in the Office of the Recorder of Lake County, Indiana on December 21, 1994, hereby consents to the Declaration of Extended Low-Income Housing Commitment executed by Douglas Pointe II Assoc, L.P. ("Developer") on , 199 .

IN WITNESS WHEREOF, Mortgagee, by its duly authorized officer, has hereunto executed this Mortgagee's Consent to Declaration of Extended Low-Income Housing Commitment this 10th day of November, 1995.

This Document is the property of
the Lake County Recorder.



Mercantile National Bank
By: Anthony A. Lara Vice President
Anthony A. Lara

STATE OF INDIANA)
COUNTY OF Lake) SS:

Before me, a Notary Public in and for said County and State, personally appeared Anthony A. Lara, the Vice President of Mercantile National Bank ("Mortgagee") and, being duly sworn, acknowledged the execution of the foregoing Mortgagee's Consent to Declaration of Extended Low-Income Housing Commitment for and on behalf of the Mortgagee.

WITNESS my hand and notarial seal this 10th day of November, 1995.

Doris L. Gibson
Notary Public

My Commission Expires:
8-23-96

My County of Residence:
Lake

This instrument prepared by Ronald F. Shady, Jr. and Lante K. Earnest, KLINEMAN, ROSE and WOLF, P.C., 135 N. Pennsylvania Street, Suite 2000, Indianapolis, IN 46204-2456.

EXHIBIT C

INDIANA HOUSING FINANCE AUTHORITY

SECTION 42
LOW-INCOME HOUSING TAX CREDIT PROGRAM
CERTIFICATE OF COMPLIANCE

The undersigned, having been allocated certain low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended and the Treasury regulations promulgated thereunder (the "Code"), by the Indiana Housing Finance Authority, the housing credit agency for the State of Indiana (the "Authority") for the purpose of purchasing, constructing and/or improving a certain low-income housing project (the "Project"), and pursuant to the monitoring requirements of the Authority and the requirements of the Code, does hereby certify as follows:

(i) The Project meets the requirements of (Please mark the appropriate test) the Lake County Recorder!

- (A) the 20-50 test under Section 42(g)(1)(A) of the Code, or
- (B) the 40-60 test under Section 42(g)(1)(B) of the Code, or
- (C) the 15-40 test under Sections 42(g)(4) and 142(d)(4)(B) of the Code for "deep rent skewed" projects.

(ii) There was no change in the applicable fraction (as defined in Section 42(c)(1)(B)) of any building in the Project, or that there was a change, and a description of that change.

List the total number of project units: 112

List the number of qualified low-income units: 112

(iii) The undersigned has received an annual income certification from each low-income tenant in the Project and sufficient documentation to support that certification; or, in the case of a tenant receiving Section 8 housing assistance payments, the statement from the applicable public housing authority to the Project owner declaring that the tenant's income does not exceed the applicable income limited under Section 42(g) of the Code.

(iv) Each low-income unit in the Project was rent-restricted under Section 42(g)(2) of the Code.

List the gross rent, utility allowance and actual rent of the low-income units:

	GROSS RENT	UTILITY ALLOWANCE	ACTUAL RENT
Efficiency			
1 bedroom units	481.05	52.05	429.00
2 bedroom units	575.52	60.52	515.00
3 bedroom units			
4 bedroom units			

(v) All units in the Project are for use by the general public and are used on a nontransient basis (except for transitional housing for the homeless provided under Section 42(i)(3)(B)(iii)).

(vi) Each building in the Project is suitable for occupancy, taking into account all federal, state and local health, safety and building codes.

(vii) Please mark the appropriate certification:

- (A) There has been no change in the Eligible Basis (as defined in Section 42(d) of the Code) of any building in the Project, or
- (B) There has been a change in the Eligible Basis of a building in the Project. Please attach a separate sheet setting forth the nature and amount of such change (e.g., a common area has become commercial space, or a fee is now charged for a tenant facility formerly provided without charge)

(viii) All tenant facilities included in the Eligible Basis of the Project, such as swimming pools, other recreational facilities, and parking areas, are provided on a comparable basis without charge to all tenants of the Project.

(ix) Please mark the appropriate certification:

- (A) No low-income units in the Project became vacant during the applicable year, or
- (B) One or more low-income units in the Project became vacant during the applicable year and reasonable efforts were or are being made to rent such units or the next available unit of comparable or smaller size to tenants having a qualifying income before any units in the Project were or will be rented to tenants not having a qualifying income. While such unit(s) were

vacant, no units of comparable or smaller size were rented to tenants not having a qualifying income. Please attach a separate sheet detailing which units were vacant during the applicable year and the nature of efforts to rent such units to tenants with qualifying incomes.

(x) Please mark the appropriate certification:

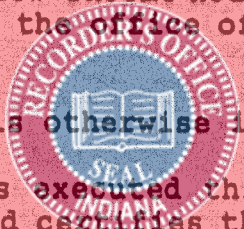
(A) No tenant of any low-income unit in the Project has experienced an increase in income above the limit allowed in Section 42(g)(2)(D)(ii) of the Code, or

(B) One or more tenants of low-income units in the Project have experienced an increase in income above the limit allowed in Section 42(g)(2)(D)(ii) of the Code and the next available unit or units of comparable size in the Project have been or will be rented to tenants the Lake County Recorder's. Please attach a separate sheet detailing the tenants who have experienced such an increase in income and the unit or units which have been or will be rented to tenants having qualifying income and the efforts being made to rent such unit or units; and

(xi) The Project is in continuing compliance with the Declaration of Extended Low-Income Housing Commitment applicable to the Project and filed in the office of the Recorder of Lake County, Indiana; and

(xii) The Project is otherwise in compliance with the Code.

The undersigned has executed this certification, subject to penalties of perjury, and certifies that the foregoing is true and correct, in all respects, this 9th day of November, 1995.



Attest

By: [Signature]

Title: General Partner

Douglas Pointe II Assoc, L.P.
(Printed Name of Developer)

("Developer")

STATE OF INDIANA)
COUNTY OF Porter) SS:

Before me, a Notary Public in and for said County and State, personally appeared Larry N. Borish, the General Partner of Douglas Pointe II Assoc. L.P., and who, being duly sworn acknowledge the execution of the foregoing Certification of Continuing Compliance as his/her free and voluntary act and deed.

Witness my hand and Notarial Seal this 9th day of November, 1995.

My Commission Expires: 10-20-97
My County of Residence: Porter
Notary Public: Diana K. Wiesjahr
Printed Name: Diana K. Wiesjahr

