

DRAFT LEASE RIDER #1

DRAFT LEASE RIDER #1 – FOR NON - WORKING FAMILIES (Cabrini Displaced Families and Other Non-Working/Exempt Families)

825 NORTH HUDSON CONDOMINIUMS CONTINUING OCCUPANCY CRITERIA

This lease rider applies to families deemed by the CHA, at the time of initial leasing of a public housing unit at 825 North Hudson Condominiums, as either a "Cabrini Displaced Family" as defined by the Cabrini – Green Consent Decree or a family exempt from the employment and self-sufficiency requirement due to the provisions of the Consent Decree which require that 50% of the total 700 units built pursuant to the Consent Decree be reserved for non-working families.

The leaseholder _____ is: (check one)

- ☐ A Cabrini Displaced Family from Priority 1, 2 or 3 under the Cabrini Lottery, as defined by the Consent Decree
- ☐ A Cabrini family from Priority 4 or 5 of the Cabrini Lottery who is exempt from the work requirement pursuant to the 50% unit reserve under the Consent Decree
- ☐ A family screening for 825 North Hudson Condominiums who is exempt from the work requirement pursuant to the 50% unit reserve under the Consent Decree

In addition to the tenant obligations listed in the CHA Lease for 825 North Hudson Condominiums, leaseholders and residents of the public housing assisted units at 825 North Hudson Condominiums must comply with the following continuing occupancy criteria as set forth in the Tenant Selection Plan for 825 North Hudson Condominiums. Leaseholders and residents will be evaluated at the household's annual recertification to determine whether they continue to meet the following Continued Occupancy Criteria. Failure to meet such criteria may result in termination of this Lease.

The following criteria apply to the families:

1. If an applicant covered by the CHA Leaseholder Housing Choice and Relocation Rights Contract 10/1/99 (RRC) or the CHA Relocation Rights Contract for Families with Occupancy after 10/1/99 (Post 10/1/99 RRC) does not initially meet the minimum selection criteria upon the initial unit offer, then he/she shall have an opportunity for admission to 825 North Hudson Condominiums by demonstrating that he/she is working to meet the selection criteria (i.e. that the applicant is engaged in activities to meet one or more criteria).
2. If an applicant covered by the RRC or Post 10/1/99 RRC is admitted into 825 North Hudson Condominiums demonstrating that he/she is in the working to meet category during the screening process, then the applicant must meet the selection criteria within a minimum of 12 months of admission into 825 North Hudson Condominiums.
3. If an applicant covered by the RRC or Post 10/1/99 RRC is admitted into 825 North Hudson Condominiums because he/she meets the selection criteria at initial occupancy but falls out of

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compliance with one of the continuing occupancy criteria, then he/she has a minimum of 12 months to work himself/herself back into compliance.

If the applicant or household fails to reach compliance at the end of the 12 months in #2 or #3 above, the CHA shall transfer the resident and household to another CHA property at which the resident and household meet that site's property specific admission and continued occupancy requirement or provide the household with a Section 8 Housing Choice Voucher (subject to the household's ability to pass all requisite HCV screening) in accordance with the provisions of the Relocation Rights Contract. Should the household not accept the transfer to another public housing unit outside of the 825 North Hudson Condominiums where the household meets the property specific admission and continued occupancy requirements or the Section 8 Housing Choice Voucher upon successful passage of all requisite HCV screening, the CHA may terminate the 825 North Hudson Condominiums Lease or choose not to renew the 825 North Hudson Condominiums Lease.

Applicants covered by the Cabrini-Green Consent Decree will also have the rights set forth in paragraphs 1-3 above.

Continued Occupancy Criteria

1. Maximum Income

- a. The maximum income limit for public housing rental units should not exceed the maximum permitted by law.
- b. If the mixed-income/mixed finance development's financing structure contains tax credits, or other financing programs, the tax credit or other program rules regarding maximum income and eligibility for public housing rental units apply.

2. Employment and Economic Self-Sufficiency

Cabrini Consent Decree – "Cabrini Displaced Families"

Pursuant to the Cabrini-Green Consent Decree, 50% of the 700 replacement public housing units built pursuant to the Cabrini-Green Consent Decree shall be reserved for families that have at least one household member working 30 hours per week, including work through Earnfare, Work First, or any REDI program where the household member is paid wages for his or her work. The remaining 50% of the units shall have no work requirement. (*See Consent Decree, Section II. D. 1*)

Exempt from Employment Requirement

"Cabrini Displaced Families" (Priorities 1-3 under the Consent Decree) are defined as all families who resided in the Cabrini Extension North buildings (1015-1017 N. Larrabee, 1121 N. Larrabee, 1159-61 N. Larrabee, 500-502 W. Oak, 1117-1119 N. Cleveland, 1157-59 N. Cleveland, 1150-1160 N. Sedgwick and 1158 N. Cleveland) on or after January 1, 1993, except for such leaseholders deemed ineligible under the provisions of the Cabrini Consent Decree (*see Consent Decree page 17, Section VI. B.*).

Cabrini Displaced Families as defined by the Cabrini-Green Consent Decree are exempt from the employment requirement set forth in this Tenant Selection Plan, with respect to all of the public housing units built under the Decree. The Decree states that any displaced Cabrini family as

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defined in the Decree shall be eligible for one of the 700 replacement public housing units built pursuant to the Consent Decree even if they are not employed.

Must Comply with CHA's Economic Independence Policy (EIP)

Although "Cabrini Displaced Families" are exempt from the employment requirement, these households and family members must comply with the paragraph 20 of the CHA Lease, "Community Service Requirements/Economic Self-Sufficiency Programs," in order to remain lease compliant and residents of 825 North Hudson Condominiums.

3. School Enrollment and Child Care

- a. Applicant must provide documentation that family members over age six (6) and through age seventeen (17) who live in the household attend school regularly.
- b. Adequate day care or supervision must be provided for children under 13 years old.
Working to Meet: Children must be enrolled in school and demonstrate an improved attendance record and children under 13 years old must have adequate day care or supervision.
- c. If a child between the ages of 17 and 18 drops out of school, that child must be engaged in one or a combination of the following activities at least 30 hours per week:
 - 1) Enrollment and regular attendance in a regular program of education, including GED classes, secondary or post-secondary education, or English proficiency or literacy classes;
 - 2) Employment;
 - 3) Enrollment and regular attendance in an economic self-sufficiency program;
 - 4) Verified job search and/or employment counseling; and
 - 5) Basic skills training.

Leaseholder Signature: _____ Date: _____

Management Signature: _____ Date: _____

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DRAFT LEASE RIDER #1 – FOR WORKING FAMILIES (Non Displaced Families under the Cabrini-Green Consent Decree)

825 NORTH HUDSON CONDOMINIUMS CONTINUING OCCUPANCY CRITERIA

This lease rider applies to families deemed by the CHA, at the time of initial leasing of a public housing unit at 825 North Hudson Condominiums, as either a Cabrini family or other family as described in the Cabrini – Green Consent Decree who is not exempt from the employment and self-sufficiency requirement due to the provisions of the Consent Decree which require that 50% of the total 700 units built pursuant to the Consent Decree be reserved for working families.

The leaseholder _____ is: (check one)

- ☐ A Cabrini family from Priority 4 or 5 of the Cabrini Lottery who is not exempt from the work requirement pursuant to the 50% unit reserve under the Consent Decree
- ☐ A family screening for 825 North Hudson Condominiums who is not exempt from the work requirement

In addition to the tenant obligations listed in the CHA Lease for 825 North Hudson Condominiums, leaseholders and residents of the public housing assisted units at 825 North Hudson Condominiums must comply with the following continuing occupancy criteria as set forth in the Tenant Selection Plan for 825 North Hudson Condominiums. Leaseholders and residents will be evaluated at the household's annual recertification to determine whether they continue to meet the following Continued Occupancy Criteria. Failure to meet such criteria may result in termination of this Lease.

The following criteria apply to families:

1. If an applicant covered by the CHA Leaseholder Housing Choice and Relocation Rights Contract 10/1/99 (RRC) or the CHA Relocation Rights Contract for Families with Occupancy after 10/1/99 (Post 10/1/99 RRC) does not initially meet the minimum selection criteria upon the initial unit offer, then he/she shall have an opportunity for admission to 825 North Hudson Condominiums by demonstrating that he/she is working to meet the selection criteria (i.e. that the applicant is engaged in activities to meet one or more criteria).
2. If an applicant covered by the RRC or Post 10/1/99 RRC is admitted into 825 North Hudson Condominiums demonstrating that he/she is in the working to meet category during the screening process, then the applicant must meet the selection criteria within a minimum of 12 months of admission into 825 North Hudson Condominiums.
3. If an applicant covered by the RRC or Post 10/1/99 RRC is admitted into 825 North Hudson Condominiums because he/she meets the selection criteria at initial occupancy but falls out of

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compliance with one of the continuing occupancy criteria, then he/she has a minimum of 12 months to work himself/herself back into compliance.

If the applicant or household fails to reach compliance at the end of the 12 months in #2 or #3 above, the CHA shall transfer the resident and household to another CHA property at which the resident and household meet that site's property specific admission and continued occupancy requirement or provide the household with a Section 8 Housing Choice Voucher (subject to the household's ability to pass all requisite HCV screening) in accordance with the provisions of the Relocation Rights Contract. Should the household not accept the transfer to another public housing unit outside of the 825 North Hudson Condominiums where the household meets the property specific admission and continued occupancy requirements or the Section 8 Housing Choice Voucher upon successful passage of all requisite HCV screening, the CHA may terminate the 825 North Hudson Condominiums Lease or choose not to renew the 825 North Hudson Condominiums Lease.

Applicants covered by the Cabrini-Green Consent Decree will also have the rights set forth in paragraphs 1-3 above.

Continued Occupancy Criteria

1. Maximum Income

- a. The maximum income limit for public housing rental units should not exceed the maximum permitted by law.
- b. If the mixed-income/mixed finance development's financing structure contains tax credits, or other financing programs, the tax credit or other program rules regarding maximum income and eligibility for public housing rental units apply.

2. Employment and Economic Self-Sufficiency

Pursuant to the Cabrini-Green Consent Decree, 50% of the 700 replacement public housing units built pursuant to the Cabrini-Green Consent Decree shall be reserved for families that have at least one household member working 30 hours per week, including work through Earnfare, Work First, or any REDI program where the household member is paid wages for his or her work. The remaining 50% of the units shall have no work requirement. (*See Consent Decree, Section II. D. 1*)

Cabrini Consent Decree – “Cabrini Displaced Families”

Cabrini Displaced Families (Cabrini Lottery Priorities 1 – 3) as defined by the Cabrini-Green Consent Decree are exempt from the employment requirement set forth in this Tenant Selection Plan, with respect to all of the public housing units built under the Decree. The Decree states that any displaced Cabrini family as defined in the Decree shall be eligible for one of the 700 replacement public housing units built pursuant to the Consent Decree even if they are not employed.

Non Displaced Cabrini Families & Other Public Housing Families

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Other Cabrini Lottery families who do not fit the definition of "Cabrini Displaced Families" are required to meet the employment requirements listed below. However, such families may be exempt from these work requirements if, pursuant to the reservation of units for non-working families outlined in paragraph above, there are units available for families who are exempt from the employment requirements.

Non-exempt families are required to have:

- 1) At least one member of the household must work 30 hours a week. Employment may include work through Earnfare, Work First, or any REDI program where the household member is paid wages for his or her work.
- 2) If an applicant family is unable to meet the above 30 hours a week employment requirement, all household members above the age of 18 must be engaged in one or a combination of the following activities to meet the 30 hours per week work criterion:
 1. Employment;
 2. Enrollment and regular attendance in an economic self-sufficiency program;
 3. Verified job search and/or employment counseling;
 4. Basic skills training;
 5. Enrollment and consistent attendance in a regular program of education, including GED classes, secondary or post-secondary education, or English proficiency or literacy classes.
- 3) **Exemptions:** The following applicants and household members are exempt from the work requirement:
 - a. Those enrolled and attending high school, college, trade school, or other institution of higher learning as full time students;
 - b. Those age 62 or older;
 - c. Disabled with verification that disability precludes working;
 - d. The primary caregiver of a disabled individual with verification of disability and the status as a caregiver;
 - e. One adult household member who elects to stay home to care for young children, provided there are at least two adults in the household, and at least one of those adults meets the work requirement; or
 - f. Retired and receiving a pension.

5. School Enrollment and Child Care

- a. Applicant must provide documentation that family members over age six (6) and through age seventeen (17) who live in the household attend school regularly.
- b. Adequate day care or supervision must be provided for children under 13 years old.
Working to Meet: Children must be enrolled in school and demonstrate an improved attendance record and children under 13 years old must have adequate day care or supervision.

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- c. If a child between the ages of 17 and 18 drops out of school, that child must be engaged in one or a combination of the following activities at least 30 hours per week:
- 1) Enrollment and regular attendance in a regular program of education, including GED classes, secondary or post-secondary education, or English proficiency or literacy classes;
 - 2) Employment;
 - 3) Enrollment and regular attendance in an economic self-sufficiency program;
 - 4) Verified job search and/or employment counseling; and
 - 5) Basic skills training.

Leaseholder Signature: _____ Date: _____

Management Signature: _____ Date: _____

DRAFT LEASE RIDER #2

DRAFT LEASE RIDER #2 TENANT SELECTION PLAN & CONTINUED OCCUPANCY CRITERIA 825 NORTH HUDSON CONDOMINIUMS

I. APPLICABILITY

This document details the process that will be followed by the CHA or its designated management company in the screening and selection of households to occupy the CHA owned units at the private developments known as 825 North Hudson Condominiums. All rental applicants will be required to meet the selection criteria listed in *Section IV.C.* of this tenant selection plan prior to their acceptance for occupancy at 825 North Hudson Condominiums.

This screening and selection procedure was developed based on standard screening and selection criteria of the CHA and conforms to HUD's Fair Housing regulations and other applicable CHA policies.

The "Working to Meet Criteria" listed in *Section IV.C.* of this tenant selection plan are only applicable to public housing residents covered by the Cabrini-Green Consent Decree, the CHA's Relocation Rights Contract (RRC) or the Post 10/1/99 RRC.

II. 825 NORTH HUDSON CONDOMINIUMS UNIT DESCRIPTIONS

A. Unit type designation

There are 2 CHA owned (public housing assisted) one-bedroom units located in the 825 North Hudson Condominiums.

B. Occupancy standards

The CHA and/or its designated management company will apply the occupancy standards contained in the CHA's Admissions and Continued Occupancy Policy (ACOP) and in any future Board approved versions of this policy to the CHA owned units at 825 North Hudson Condominiums. The CHA and/or its designated management company will also apply a form of the CHA residential lease and CHA procedures to the CHA owned units at 825 North Hudson Condominiums, in addition to applicable site-specific, building rules.

III. LEASING PRIORITIES

A. Cabrini-Green Consent Decree Families and the Cabrini Lottery List

Pursuant to the terms of the Cabrini-Green Consent Decree, families listed on the Cabrini Lottery List (Cabrini Lottery Families) have first priority to apply for the public housing units at 825 North Hudson Condominiums. Such families may or may not be current CHA residents. The Cabrini Lottery List is a creation of the Cabrini-Green Consent Decree and is maintained separately from the CHA's Housing Offer

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Process (HOP) system. The CHA's Relocation department will provide referrals from the Cabrini Lottery List to the designated management company for processing and screening. The CHA also reserves the right to complete the application and screening processing through one of its own departments, as the CHA owns the public housing units at 825 North Hudson Condominiums.

"Cabrini Displaced Families"

The Cabrini Lottery Families include Cabrini Displaced Families and other Cabrini families, as defined by the Cabrini-Green Consent Decree, that have the next priority after Cabrini Displaced Families for new public housing units built under the Cabrini-Green Consent Decree. The Cabrini-Green Consent Decree defines "Cabrini Displaced Families" as all families who resided in the Cabrini Extension North buildings (1015-1017 N. Larrabee, 1121 N. Larrabee, 1159-61 N. Larrabee, 500-502 W. Oak, 1117-1119 N. Cleveland, 1157-59 N. Cleveland, 1150-160 N. Sedgwick and 1158 N. Cleveland) on or after January 1, 1993, except for such leaseholders deemed ineligible under the provisions of the Cabrini Consent Decree (*see Consent Decree page 17, Section VI. B.*).

Deferrals

If a Cabrini Lottery Family applying for public housing at 825 North Hudson Condominiums under the Cabrini-Green Consent Decree is deferred and does not receive an offer of public housing unit at 825 North Hudson Condominiums, the CHA will provide written notice to the Cabrini LAC of such deferral. If the CHA and the Cabrini LAC are unable to reach an agreement as to whether a family should be approved for or denied housing at 825 North Hudson Condominiums, the parties can motion the federal district court to decide the matter. The motion will request an expedited schedule and hearing on the matter.

B. Housing Offer Process (HOP) and Relocation

Upon exhaustion of the Cabrini Lottery List, the CHA can begin referring CHA residents from the HOP database for public housing units at 825 North Hudson Condominiums. The CHA will follow the priorities set forth in the Relocation Rights Contracts and house eligible families in the order of their priority, bedroom size need and assigned HOP number.

1. If an applicant covered by the CHA Leaseholder Housing Choice and Relocation Rights Contract 10/1/99 (RRC) or the CHA Relocation Rights Contract for Families with Occupancy after 10/1/99 (Post 10/1/99 RRC) does not initially meet the minimum selection criteria upon the initial unit offer, then he/she shall have an opportunity for admission to 825 North Hudson Condominiums by demonstrating that he/she is working to meet the selection criteria (i.e. that the applicant is engaged in activities to meet one or more criteria).
2. If an applicant covered by the RRC or Post 10/1/99 RRC is admitted into 825 North Hudson Condominiums demonstrating that he/she is in the working to meet category during the screening process, then the applicant must meet the selection criteria within a minimum of 12 months of admission into 825 North Hudson Condominiums.
3. If an applicant covered by the RRC or Post 10/1/99 RRC is admitted into 825 North Hudson Condominiums because he/she meets the selection criteria at initial occupancy but falls out of compliance with one of the continuing occupancy criteria, then he/she has a minimum of 12 months to work himself/herself back into compliance.

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If the applicant or household fails to reach compliance at the end of the 12 months in #2 or #3 above, the CHA may terminate the 825 North Hudson Condominiums Lease or choose not to renew the 825 North Hudson Condominiums Lease and shall transfer the resident and household to another CHA property at which the resident and household meet that site's property specific admission and continued occupancy requirement.

Applicants covered by the Cabrini-Green Consent Decree will also have the rights set forth in paragraphs 1-3 above.

C. Rejection for Residency

A Cabrini Lottery Family or a RRC applicant shall be rejected for residency if the applicant fails to meet criteria in *Section IV.C.* or fails to be categorized as working to meet the criteria as set forth in *Section IV.C.* of this tenant selection plan. The CHA's designated management company will notify a rejected applicant in writing of its rejection, stating the reason thereof and advising the applicant that he/she may request a meeting with the designated management representative within fourteen (14) days. Within five (5) days of a rejected applicant's request for a meeting, the designated management representative shall schedule a meeting with the applicant to explain the reason for rejection. If the applicant appeals such rejection, the management representative will give the applicant a final decision, in writing, within five (5) days following the applicant's meeting with the Agent. If the CHA or management representative determines that the applicant is not an acceptable resident for the development, the CHA will temporarily remove the application, with justification for denial, from its active file for housing at 825 North Hudson Condominiums.

A RRC Applicant that is not satisfied with the CHA's or management's decision may appeal the decision formally through the CHA's Grievance Procedure. A Cabrini-Green Lottery family may also use the CHA's Grievance Procedure rather than rely on appeal rights that may be exercised by the Cabrini LAC, as described in Section III. A formal grievance hearing, if granted, will be conducted before an independent hearing officer from the City of Chicago's Department of Administrative Hearings. If the independent hearing officer finds in favor of the applicant and against Management's decision to reject the applicant, the applicant will be placed back onto the list for a unit.

D. Individuals with Disabilities

Exceptions to the order in which public housing applicants are housed will be made in the event that the CHA and/or management needs to match families to ADA accessible or visual/hearing impaired ready units. With respect to the assignment of such units, the CHA will continue to house families who need the features of these units in order of their Cabrini Lottery priority, bedroom size need, assigned Lottery Number, or HOP priority, bedroom size need and assigned HOP number.

IV. GENERAL LEASING AND APPLICATION PROCEDURES

A. Outreach to Families

1. CHA will refer families from the Cabrini Lottery List for screening to the management company. Management staff will contact these families in order of their position on the list. The CHA will provide the Cabrini-Green LAC with list of the names referred to the management company. When the Cabrini Lottery List is exhausted, the CHA will provide the Cabrini-Green LAC with 14 calendar days notice prior to referring families from the HOP List to the management company.
2. Management staff will make the first attempt at contacting eligible applicant households via regular mail. If no response is received within seven (7) business days, the second attempt at contact will be

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by placing three phone calls to the eligible applicant household. Each phone call will be made on a different day, and the dates and times of each phone call will be documented in the household's applicant file.

3. If, after 5 business days, the second attempt at contact is unsuccessful, management staff will make the third attempt at contact by registered mail to the address supplied by the CHA and/or the LAC.
4. If, after 5 business days, no response to third contact attempt is received, the family shall be referred back to CHA with an indication that the family has been unreachable.
5. If an applicant responds within the stipulated timeframe, the applicant will be scheduled to pickup an application package in order to initiate the application process.

B. Application Process

1. Applicants are provided with an application package, which includes the following: Lease Application, Tenant Release and Consent Form, Income -Verification Form and all applicable Rules and Regulations.
2. At the time of receipt of the application package, each of the applicants will schedule an appointment to return the completed package within seven (7) business days of attendance at their orientation session. Management staff will review the package at the time it is returned for completeness.
3. During the application process, the leasing agent will respond to any questions received from applicants made by telephone within 24 hours and within three (3) working days to requests for appointments.
4. Applicant returns the application package and submits evidence of income and photo ID. Applicant must complete and sign authorization forms permitting CHA and management to conduct criminal background and credit checks.

C. Selection Criteria

All applicants, including heads of household and other family members, 18 years of age and older will be reviewed by CHA or management to determine whether the applicant meets the following criteria for tenant selection.

1. Maximum Income

- a. The maximum income limit for public housing rental units should not exceed the maximum permitted by law.
- b. If the mixed-income/mixed finance development's financing structure contains tax credits, or other financing programs, the tax credit or other program rules regarding maximum income and eligibility for public housing rental units apply.

2. Minimum Rent

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- a. A minimum rent of \$50.00 will be applied to all public housing assisted rental units at 825 North Hudson Condominiums.
- b. Hardship exemption: A hardship exemption shall be granted to public housing residents who can document that they are unable to pay the minimum rent because of a verifiable long-term hardship (over 90 days). Exemption from minimum rent does not mean that the family does not pay rent. The family is required to pay the greater of 30% of adjusted monthly income or 10% of monthly income. Hardship exemptions will be granted pursuant to the CHA's Procedure on Hardship Exemptions.

3. Minimum Age

An applicant must be a minimum age shall be 18 years-old to be head of household.

4. Rental/Residential History (Two year review)

- a. A credit report will be used to obtain additional information about an applicant's rental/residential history.
- b. Applicants are required to have at least two years of rental history in their name. In cases where an applicant family may not have two years of rental history in their name because the family was "split" from another CHA household as a result of a CHA approved split family transfer executed within the last two years, the CHA or management will also review and consider the rental history of the original leaseholder/household from which the applicant family was split. Verification of rental history for the applicant will be requested from the property management company where the applicant resides at the time of the application, and must be completed by an individual who has either direct knowledge of the history of the family, or can base an opinion from reliable written tenant files. If an applicant has just come from college, a verifiable dorm history will be considered. Insufficient rental history may be considered on a case-by-case basis.
- c. CHA or management will verify the past two years of residential history, including any lease violations. If an applicant covered under the RRC or the Post RRC is a current CHA resident and is lease compliant at the time of application to the 825 North Hudson Condominiums development, any lease violation that has either been addressed or explicitly waived in the past two years shall not be a bar to admission.
- d. Applicants who are not current CHA residents, which include those currently residing in the private market with the assistance of housing choice vouchers, can be rejected if there are judgments in favor of a current or past landlord within the past two years. If an applicant has a landlord judgment in the past two years, the applicant must demonstrate one year without a landlord judgment.
- e. Applicants who are currently not CHA residents, which include those residing in the private market with the assistance of housing choice vouchers, will be rejected if an eviction appears on the credit reports or residential history which are less than two years old. However an applicant may be excepted from this criterion if the applicant provides sufficient documentation that such judgment was the result of a landlord's or Section 8 program administrator's failure to comply with their

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respective obligations or the judgment was due to no fault of the applicant (e.g., a no fault 30-day notice to terminate) and the CHA or management is able to verify the applicant's claims. Mitigating circumstances will be considered on a case-by-case basis.

5. Credit And Financial Standing (Two year review)

a. Credit History

A credit report will be used to evaluate an applicant's ability to open utility accounts and to verify if the applicant has any outstanding rent payments to CHA or a private landlord.

b. Rent

Applicants for public housing assisted units at 825 North Hudson Condominiums must be current in rent and have no rent due to any public housing program.

Working to Meet: An applicant under the Cabrini Consent Decree or the RRC will be considered as "working to meet" this criteria if he/she has a documented history of paying rent and of paying any repayment agreement, if applicable, for one year.

Exception: An applicant covered by the Cabrini Consent Decree or the RRC is excepted from these criteria if he/she entered into a repayment agreement and has been current with payments for the past three months.

c. Utilities

- 1) Outstanding or current delinquent debts owed to a utility provider must be made current prior to approval for admission or the applicant must be current on a payment plan.
- 2) Applicant must be able to obtain utilities in his or her name.

d. Bankruptcy

A credit history will be used to determine whether an applicant has filed bankruptcy within the past two years. The filing of bankruptcy is not a bar to admission. However, information gathered will be used to assess, as part of an overall credit history review, an applicant's history and current ability to pay rent. Such a review includes consideration of payment history, landlord judgments and prior debts owed to public housing programs.

Applicants may present or be asked to present additional information showing payments of debts, payment plans, or positive credit history since the filing of bankruptcy.

e. Delinquent Debts

- 1) Applicants must owe no debt to any public housing program or the applicant must be current on a payment plan.
- 2) Medical-related expenses and student loans will not be considered.

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6. Criminal Background Screening (Three year review)

Three -year criminal background checks will be required for every family member 18 years of age and older seeking to rent a unit at the 825 North Hudson Condominiums development. All applicants will be advised at the time of orientation or at the start of the screening process that convictions for criminal behavior will jeopardize admission to the 825 North Hudson Condominiums Development. Sealed juvenile records will not be reviewed.

Before the CHA and/or management denies admission on the basis of a criminal record, the CHA and/or management must notify the household of the information that provided the grounds for the proposed denial and must provide the subject of the record and the applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

a. Level One - Exclusions under the Cabrini-Consent Decree – Cabrini Families

Pursuant to the Cabrini-Green Consent Decree (Section VI (B)(4)(a) and (b)), a Cabrini-Green Lottery Family is ineligible for any replacement public housing built under the Cabrini-Green Consent Decree, if they have the following criminal history. Such applicants and/or households are therefore, also ineligible for a public housing unit at the 825 North Hudson Condominiums Development, if prior to relocation to a newly developed unit, but after relocation to subsidized unit within the HOPE VI Planning Area or a temporary Section 8 placement or after entry of the Consent Decree (in the case of families residing in a CHA unit) the applicant or household member:

- 1) was convicted of any criminal activity that threatened the health, safety, or right to peaceful enjoyment of the premises by other residents or any drug-related criminal activity on or off the premises; or
- 2) had a household member, guest, or visitor while under the leaseholder's control, convicted of any criminal activity that threatened the health, safety or right to peaceful enjoyment of the premises by other residents, or any drug-related criminal activity on or off the premises. This exclusion shall not apply where the leaseholder agrees to exclude the offending person from the household.

b. Level Two - Exclusions under Federal Regulations & CHA's ACOP – Public Housing Families

Exclusions under Federal Regulations

Pursuant to Federal Regulations, the following types of criminal history render an applicant or applicant family ineligible for public housing assistance. An applicant or applicant family will therefore, also be ineligible for a public housing assisted unit at the 825 North Hudson Condominiums development if a three-year criminal background check of the applicant or any household member reveals any of the following:

- 1) Drug-related criminal activity that resulted in eviction from federally assisted housing within a three year period prior to application for housing at the 825 North Hudson Condominiums Development (24 CFR 960.204 (a)(1)); however, the household may be admitted if it is determined that the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program (24 CFR

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960.204(a)(1)(i)), or the circumstances leading to the eviction no longer exist (for example, the criminal household member has died or is imprisoned). (24 CFR 960.204(a)(1)(ii)).

- 2) Conviction for drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing (24 CFR 960.204 (a)(3)); or
- 3) Sexual offenses that resulted in a lifetime registration under a state sex offender registration program (24 CFR 960.204 (a)(4));
- 4) CHA and/or management determines that it has reasonable cause to believe that a household member's illegal use of a drug or pattern of illegal use of a drug may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents (24 CFR 960.204 (a)(2)(ii)); or
- 5) CHA and/or management determines that it has reasonable cause to believe that household member's abuse or pattern of abuse of alcohol may threaten the health, safety or right to peaceful enjoyment of the premises by other residents. (24 CFR 960.204 (b))

However, pursuant to Federal Regulations (24 CFR 960.203 (c)(3)(i)), CHA and/or management may require an applicant to exclude a household member who has participated in or been culpable for the above actions in order for the remaining household members to be admitted to the 825 North Hudson Condominiums development.

Exclusions under CHA's ACOP

In addition to the Federal Regulations, the CHA's Admissions and Continued Occupancy Policy (ACOP)(CHA Board Approved 10/21/2003) sets forth the types of criminal history that render an applicant ineligible for public housing with the Chicago Housing Authority. Therefore, pursuant to the CHA's ACOP, the following types of criminal history will also render an applicant or applicant family **ineligible** for a public housing assisted unit at the 825 North Hudson Condominiums Development if a criminal background check of the applicant or any household member reveals any of the following (*See ACOP Section II.F.*):

- 1) Any household member has ever been convicted of arson or child molestation;
- 2) Any household member has a criminal history in the past three years that involves crimes of violence to persons or property as documented by a police arrest and/or conviction documentation;

Crimes of violence to persons or property would include but not be limited to homicide or murder, destruction of property or vandalism, burglary, robbery or theft, drug trafficking, manufacture, use or possession of drugs, threats or harassment, assault or fighting, domestic violence, weapons offenses, criminal sexual assault, home invasion;

c. Level Three - Criminal Screening for Other Convictions – All Renters

All applicants and family members who are 18 years of age and older will be subject to a three-year criminal background check. In addition to the exclusions outlined by the Consent Decree, the CHA's ACOP and federal regulations applicable to public housing families, an applicant family will

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be ineligible for rental housing at the 825 North Hudson Condominiums development if any member of the household is found to have any of the following types of criminal conviction history:

- 1) Felony convictions;
- 2) Convictions for murder;
- 3) Convictions for and related to physical violence to another person or property, assault, aggravated assault, or activity which would adversely affect the health, safety, or peaceful enjoyment of the premises by other residents, a management company or its employees;
- 4) Convictions for and related to drug-related criminal activity, including but not limited to the illegal manufacture, sale, distribution, possession during the review period;
- 5) Convictions for criminal activity involving a weapon; or
- 6) Convictions for criminal activity that involved arson.

d. Mitigating Circumstances

With the exception of the criminal activities listed in Subsection b above "Level Two – Exclusions Under the Federal Regulations" and convictions for murder; arson; child molestation and assault with a deadly weapon, CHA and/or management may consider mitigating circumstances for criminal activities as provided by federal law and regulations.

The Property Manager may give consideration to factors which may indicate a reasonable probability of favorable future conduct, such as:

- 1) Evidence of rehabilitation, and
- 2) Evidence of the applicant family's participation in social service or other appropriate counseling services programs and the availability of such programs.

In determining whether to deny admission for illegal drug use by a household member who is no longer engaging in such, or for abuse or a pattern of abuse of alcohol by a household member who is no longer engaging in such abuse, the CHA or management may consider whether such household member is participating in or has successfully completed a supervised drug or alcohol rehabilitation program, or has otherwise been rehabilitated successfully. (24 CFR 960.203 (d)(2)).

7. Employment and Economic Self-Sufficiency

a. Cabrini Consent Decree – "Cabrini Displaced Families"

Pursuant to the Cabrini-Green Consent Decree, 50% of the 700 replacement public housing units built pursuant to the Cabrini-Green Consent Decree shall be reserved for families that have at least one household member working 30 hours per week, including work through Earnfare, Work First, or any REDI program where the household member is paid wages for his or her work. The remaining 50% of the units shall have no work requirement. (*See Consent Decree, Section II. D. 1*)

Exempt from Employment Requirement

"Cabrini Displaced Families" (Priorities 1-3 under the Consent Decree) are defined as all families who resided in the Cabrini Extension North buildings (1015-1017 N. Larrabee, 1121 N. Larrabee, 1159-61 N. Larrabee, 500-502 W. Oak, 1117-1119 N. Cleveland, 1157-59 N. Cleveland, 1150-1160 N. Sedgwick and 1158 N. Cleveland) on or after January 1, 1993, except for such

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leaseholders deemed ineligible under the provisions of the Cabrini Consent Decree (*see Consent Decree page 17, Section VI. B.*).

Cabrini Displaced Families as defined by the Cabrini-Green Consent Decree are exempt from the employment requirement set forth in this Tenant Selection Plan, with respect to all of the public housing units built under the Decree. The Decree states that any displaced Cabrini family as defined in the Decree shall be eligible for one of the 700 replacement public housing units built pursuant to the Consent Decree even if they are not employed.

Must Comply with CHA's Economic Independence Policy (EIP)

Although "Cabrini Displaced Families" are exempt from the employment requirement, these households and family members must comply with the provisions of the CHA's Economic Independence Policy, which complies with federal regulations, in order to remain lease compliant and residents of 825 North Hudson Condominiums.

b. Non Displaced Cabrini Families & Other Public Housing Families

Other Cabrini Lottery families who do not fit the definition of "Cabrini Displaced Families" are required to meet the employment requirements listed below. However, such families may be exempt from these work requirements if, pursuant to the reservation of units for non-working families outlined in paragraph 7a above, there are units available for families who are exempt from the employment requirements.

Non-exempt families must have:

- 1) At least one member of the household must work 30 hours a week. Employment may include work through Earnfare, Work First, or any REDI program where the household member is paid wages for his or her work.
- 2) If an applicant family is unable to meet the above 30 hours a week employment requirement, all household members above the age of 18 must be engaged in one or a combination of the following activities to meet the 30 hours per week work criterion:
 1. Employment;
 2. Enrollment and regular attendance in an economic self-sufficiency program;
 3. Verified job search and/or employment counseling;
 4. Basic skills training;
 5. Enrollment and consistent attendance in a regular program of education, including GED classes, secondary or post-secondary education, or English proficiency or literacy classes.
- 3) **Exemptions:** The following applicants and household members are exempt from the work requirement:
 - a. Those enrolled and attending high school, college, trade school, or other institution of higher learning as full time students;
 - b. Those age 62 or older;
 - c. Disabled with verification that disability precludes working as reviewed under the CHA's Disability Protocol;

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- d. The primary caregiver of a disabled individual with verification of disability and the status as a caregiver;
- e. One adult household member who elects to stay home to care for young children, provided there are at least two adults in the household, and at least one of those adults meets the work requirement; or
- f. Retired and receiving a pension.

8. School Enrollment and Child Care

- a. Applicant must provide documentation that family members over age six (6) and through age seventeen (17) who live in the household attend school regularly.
- b. Adequate day care or supervision must be provided for children under 13 years old.
Working to Meet: Children must be enrolled in school and demonstrate an improved attendance record and children under 13 years old must have adequate day care or supervision.
- c. If a child between the ages of 17 and 18 drops out of school, that child must be engaged in one or a combination of the following activities at least 30 hours per week:
 - 1) Enrollment and regular attendance in a regular program of education, including GED classes, secondary or post-secondary education, or English proficiency or literacy classes;
 - 2) Employment;
 - 3) Enrollment and regular attendance in an economic self-sufficiency program;
 - 4) Verified job search and/or employment counseling; and
 - 5) Basic skills training.

9. Home Visit

All applicants who have successfully completed all previous stages of the application review process will be required to submit to a maximum of two home visits by management staff and possibly additional parties involved in the review process who will be trained to ensure that home visits are completed fully and correctly. The purpose of the home visit is to determine if applicants are currently living in conditions where they have caused health or safety hazards, or have housekeeping habits that contribute to infestation or damage to the property, other members of the household, or other residents of the building. Conditions beyond the control of the applicant will be noted as such and will not be used as a basis for determination of eligibility.

Those applicants who do not pass the home visit will be deferred until they can successfully demonstrate that they have remedied the situation that caused their deferral. They will then receive priority for the next available unit of the size and type that they qualify for according to their position in the lottery.

10. Compliant Leaseholder Status – Applicable to public housing families

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- a. Applicants must be lease compliant in their current and/or last place of residency. Lease compliance is defined below:
- b. Current on all rent and utility payments or is current on a repayment agreement
- c. Compliant with the CHA's ACOP, which prohibits unauthorized occupants, as defined in subparagraphs 6(c) and (d) of the Lease, or requires the household to add such occupants in accordance with the Lease.
- d. Leaseholder has a good housekeeping record (Leaseholder has maintained a clean and safe unit) as indicated by the housekeeping inspection reports in the Leaseholder's file.
- e. Leaseholder has not destroyed, defaced, damaged or removed any part of a dwelling unit or development as indicated by the housekeeping inspection reports in the Leaseholder's file, or work orders reflecting a pattern of Leaseholder damage or abuse.
- f. Lease compliance as defined above shall include the period during which the family lives in CHA housing and any period of Section 8 assistance.
- g. Noncompliance with respect to the Lease obligations must be demonstrated by notices of Lease violations and evidence of serious or repeated violations of material terms of the Lease.

V. DEFERRALS UNDER CABRINI CONSENT DECREE

CHA and/or management reserves the right to defer any applicant household who is found to have poor housekeeping, a criminal background, rent arrearages, inability to establish utility service, or other good cause, as indicated by tenant selection criteria.

The CHA and/or management will notify in writing the Cabrini-Green Local Advisory Council (LAC) and its counsel of such deferral. The Cabrini LAC will be afforded the opportunity to agree with or rebut the deferral with additional documentation.

If the CHA determines that the reason for such deferral can be remedied, such an applicant will be offered the ability to remedy the circumstances. Once the issue that caused a family to be deferred is remedied, the family's application will be reviewed in accordance with its position on the Cabrini Lottery.

If the CHA determines that mitigating circumstances exist justifying an approval of an applicant despite the initial deferral reason, such an applicant:

- 1) may be approved for occupancy at 825 North Hudson Condominiums and offered the next available unit; or
- 2) may be approved for occupancy at 825 North Hudson Condominiums (with or without a probation period) contingent on terms and conditions not included in the standard lease. Any such terms and conditions will be documented in writing.

Upon approval for occupancy at 825 North Hudson Condominiums, such an applicant will receive priority for the next available unit of the size and type qualified for according to their position on the Cabrini Lottery.

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As described above, if the CHA or management makes any of the following determination: 1) a deferral; 2) a deferral with an opportunity to remedy the reason(s) for the deferral; or 3) an approval contingent upon terms and conditions, written notice will be provided to the LAC of this decision, including all appropriate documentation supporting the determination pursuant to the Cabrini-Green Consent Decree.

If all parties cannot agree on upon the CHA's or management's determination, they can petition the federal district court. In the case of such a dispute at the time of initial occupancy, CHA and/or management will hold a specific unit for a period not to exceed two (2) months. However, regardless of time, if the court favors the applicant, they will receive priority for the next available like unit.

VI. GRIEVANCE PROCEDURE

Applicants for and occupants of public housing units at 825 North Hudson Condominiums shall use the CHA Grievance Procedure. A copy of the CHA's Grievance Procedures is attached hereto as Exhibit A.

VII. WAITING LISTS – AFTER INITIAL OCCUPANCY OF UNITS

The establishment and management of the waiting lists are subject to the provisions of the Cabrini-Green Consent Decree and Relocation Rights Contract. As units become available, after initial occupancy of the units, the CHA will provide management with the appropriate list of individuals eligible to apply for the public housing assisted units at 825 North Hudson Condominiums. Management will then process such individuals and determine whether they meet the requirements for occupancy at 825 North Hudson Condominiums.

Leaseholder Signature: _____ Date: _____

Management Signature: _____ Date: _____

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825 NORTH HUDSON BUILDING RULES

(As excerpted from the 825 North Hudson
Declaration of Condominium – March 2007)

ARTICLE III

USE AND OWNERSHIP OF THE COMMON ELEMENTS

1. Description. Except as otherwise in this Declaration provided, the Common Elements shall consist of all portions of the Property except the units. Without limiting the generality of the foregoing, the Common Elements shall include the Parcel, outside walks, driveways, parking spaces, the landscaping, stairways, halls, entrances and exits, fireplaces, storage areas, roof, all structural parts of the Building, pipes, ducts, flues, chutes, wires and other utility installations to the outlets, and such component parts of walls, floors and ceiling as are not located within the Unit.

2. Limited Common Elements. The Limited Common Elements shall consist of a portion of the Common Elements so designated in the Declaration as being reserved for the use of a certain Unit or Units to the exclusion of other Units. Limited Common Elements are: "That part of the Common Elements contiguous to and serving a single Unit exclusively as an inseparable appurtenance thereto including specifically such portions of the perimeter walls, floors and ceilings, windows, fireplaces, doors and all fixtures and structures therein which lie outside the Unit boundaries, pipes, ducts, flues, shafts, electrical wiring or conduits or other systems of component part thereof which serve a Unit exclusively to the extents such system or component part is located outside the boundaries of a Unit which have been designated on the plat as Limited Common Elements." Each will be conveyed as a Limited Common Element-assigned to a Unit by the Deed.

3. Storage Areas. Any storage area in the building outside of the respective units shall be part of the Common Elements, and the exclusive use and possession of such area shall be allocated among the respective owners in such manner and subject to such rules and regulations as the Developer or the Board may prescribe. Each Owner shall be responsible for his personal property in the storage area. Neither the Developer, the Board of Managers nor the Association shall be considered the bailee of such property, nor shall any of them be responsible for any loss or damage thereto whether or not due to the negligence of the Developer, the Board of Managers and/or the Association.

4. Ownership of Common Elements. (a) The use of the Common Elements and the right of the Unit Owners with respect thereto shall be subject to and governed by the Act, the Condominium Instruments and the rules and regulations of the Board.

(b) Each Unit Owner shall own an undivided interest in the Common Elements, in the percentage set forth in Exhibit B attached hereto and made part hereof, as a tenant in common with all other Unit Owners. Such percentage is based on Owner's initial determination of relative values of the units. Except of (1) portion of the Common Elements that have been assigned to the Unit Owners by the Board pursuant to the provisions of the Condominium

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Instruments and (2) the Limited Common Elements, each Unit Owner, his agents, permitted Occupants, family members, and invitees shall have the right to use the Common Elements for all purposes incident to the use and occupancy of his Unit as a place of residence and such other incidental uses permitted by the Condominium Instruments, which right shall be appurtenant to and run with his Unit. Each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements contiguous to and serving only his Unit and the Limited Common Elements access to which is available only through his Unit. The right to the exclusive use and possession of the Limited Common Elements as aforesaid shall be appurtenant to and run with the Unit of such Unit Owner. Except as set forth in the preceding sentence, Limited Common Elements may not be transferred between or among Unit Owners.

5. No Partition of Common Elements. There shall be no partition of the common elements through judicial proceedings or otherwise until this Agreement is terminated and the Property is withdrawn from its terms or from the terms of any statute applicable to condominium ownership provided, however, that if any Unit Ownership shall be owned by two (2) or more co-owners as tenants in common or joint tenants, nothing herein contained shall be deemed to prohibit a voluntary or judicial partition of said Unit Ownership as between such co-owners.

6. Owner's Easements. Such rights to use and possess the Common Elements shall be subject to a blanket easement over the Common Elements in favor of Owner and its representatives, agents, associates, employees, contractors, subcontractors, tenants, successors and assigns, over, under and through said Common Elements, or any part thereof, for purposes of access and ingress to and egress from said Common Elements, and for purposes of marketing, sales, brokerage, construction, installation, repair, replacement and restoration of utilities, driveways, buildings, landscaping and any other improvements on said Common Elements until Owner is no longer a Unit Owner.

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ARTICLE V **SALE, LEASING OR OTHER ALIENATION**

g. In the event a Unit Owner leases a Unit owned by him, a copy of the executed lease and a copy of any sublease or assignment of lease, as and when executed, shall be furnished by such lessor, sub-lessor, or assignor to the Association, and the lessee, sublessee, or assignee thereunder shall be bound by and be subject to all of the obligations of the owner with respect to such Unit as provided in this Declaration, and the lease, sublease or assignment shall expressly so provide. The person making any such lease, sublease, or assignment shall not be relieved thereby from any of his obligations hereunder. No lease may be for a term shorter than 30 days. The Association shall not be allowed to prohibit or restrict the leasing of any Unit, other than as provided in this Declaration, without the written consent of 100% of all Unit Owners.

ARTICLE IX **USE AND OCCUPANCY RESTRICTIONS**

Use and Occupancy of Units and Common Elements. The Units and Common Elements shall be occupied and used as follows:

a. No Unit shall be used for other than housing and the related common purposes for which the Property was designated. Each Unit Owner or any two or more adjoining Units used together shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purposes. That part of the Common Elements separating any two or more adjoining Units used together may be altered to afford ingress and egress to and from such adjoining units in accordance with the rules and regulations of the Association and upon such conditions as shall reasonably be determined by the Association, provided that a Unit Owner intending to so alter the Common Elements as aforesaid shall notify the Association at least twenty-one (21) days before commencement of any such alteration.

b. No industry, business, trade, occupation, or profession of any kind, commercial, religious, educational, or otherwise, designed, for profit, altruism, exploration, or otherwise, shall be conducted, maintained, or permitted on any part of the Property. No "For Sale" or "For Rent" signs, advertising, or other displays shall be maintained or permitted on any part of the Property except at such location and in such form as shall be determined by the Association. The right is reserved by the Owner and the Developer or their agent or agents to place "For Sale" or "For Rent" signs on any unsold or unoccupied Units and on any part of the Common Elements, and the right is hereby given to any mortgagee who may become the owner of any Unit to place such signs on any Unit owned by such mortgagee. Until all the Units are sold and conveyed, the Owner and the Developer shall be entitled to access, ingress, and egress to the Property as they shall deem necessary in connection with the sale of, or work in, the Building or any Unit. The Owner and the Developer shall have the right to use any unsold Unit or Units as a model apartment or for sales or display purposes and to relocate the same from time to time and to maintain on the Property, until the sale of the last Unit, all models, sales offices, and advertising signs or banners, if any, and lighting in connection therewith. In addition to the foregoing, Developer, or its agents or designees, shall have access to, and ingress and egress over, the Property for purposes of photographing or drawing the Property, or any part thereof, and to use such photographs or drawings in any marketing or other materials as Developer shall choose; and such rights shall continue for a period of ten (10) years from the date hereof.

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c. There shall be no obstruction of the Common Elements, nor shall anything be stored in the Common Elements without the prior consent of the Association except as herein expressly provided. Each Unit Owner shall be obligated to maintain and keep his own Unit and the Limited Common Elements appurtenant thereto in good, clean order and repair. The use and the covering of the interior surfaces of windows, whether by draperies, shades, or other items visible on the exterior of the Building, shall be subject to the rules and regulations of the Association.

d. Nothing shall be done or kept in any Unit or in the Common Elements that will increase the rate of insurance on the Property, or contents thereof, applicable for residential use, without the prior written consent of the Association. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements that will result in the cancellation of any insurance maintained by the Association, or that would be in violation of any law. No waste shall be committed in the Common Elements.

e. Unit Owners shall not cause or permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Building, and no sign, awning, canopy, shutter, or radio or television antenna (except as installed as of the date this Declaration is recorded or except as thereafter installed by Developer or the Association) shall be affixed to or placed on the exterior walls or roof or any part thereof or on the Common Elements without the prior written consent of the Association. All through-wall air conditioners and sleeves in which said air conditioners are inserted, installed as of the date this Declaration is recorded, may be maintained, removed, and replaced and shall be repaired as necessary by the Unit Owner owning the Unit that such air conditioner and sleeve serve. No air conditioning unit of whatever type, other than those installed as of the date this Declaration is recorded or those thereafter installed by the Developer or the Association, may be installed without the prior written permission of the Association.

f. No animals, livestock, fowl, or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that household pets, such as dogs, cats, birds and fish of a Unit Owner may be kept in Units, provided said animals are of a breed or variety commonly kept as household pets, are not kept or bred for a commercial purpose, are not allowed to run loose on the Property and are kept in strict accordance with such rules and regulations adopted by the Association, which rule or regulation may exclude any kind of pet by type or category, provided that permitted household pets are not kept, bred, or maintained for any commercial purpose; and provided further that any such authorized pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Association.

g. No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, that may be or become an annoyance or nuisance to the other Unit Owners or occupants.

h. Except as constructed or altered by or with the permission of the Developer or the Association, nothing shall be done in any Unit or in, on, or to the Common Elements that would impair the structural integrity, safety, or soundness of the Building or that would structurally change the Building.

i. No clothes, sheets, blankets, laundry, or other articles of any kind shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris, and other unsightly materials.

j. Nothing shall be altered or constructed in or removed from the Common Elements except as constructed or altered by or with the permission of the Developer at any time before the first annual meeting of the

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Unit Owners without the written consent of the Association.

k. Each Unit Owner and the Association hereby waive and release any and all claims s/he or it may have against any other Unit Owner, the Association, members of the Board, the Developer, the Owner, the beneficiaries of the Owner, and their respective employees and agents, for damage to the Common Elements, the Units, or any personal property located in the Units or Common Elements, caused by fire or other casualty or any act or omission referred to in Article 9(1), to the extent that such damage is covered by fire or other form of hazard insurance.

l. If the act or omission of a Unit Owner, or of a member of his family, a household pet, guest, occupant, or visitor of such Unit Owner, shall cause damage to the Common Elements or to a Unit or Units owned by others, or maintenance, repairs, or replacements shall be required that would otherwise be at the Common Expense, then such Unit Owner shall pay for such damage and such maintenance, repairs, and replacements, as may be determined by the Association, to the extent such payment is not waived or released under the provisions of Article IX(k).

m. Any release or waiver referred to in Article IX(k) and IX(l) hereof shall be valid only if such release or waiver does not affect the right of the insured under the applicable insurance policy to recover thereunder.

n. No Unit Owner shall overload the electric wiring in the Building, or operate any machines, appliances, accessories, or equipment in such manner as to cause, in the judgment of the Association, an unreasonable disturbance to others. Nor shall Unit Owner connect any machine, appliance, accessory, or equipment to the heating system or plumbing system without the prior written consent of the Association.

o. This Article IX shall not be construed to prevent or prohibit a Unit Owner from maintaining his personal professional library, keeping his personal business or professional records or accounts, handling his personal business or professional telephone calls, or conferring with business or professional associates, clients, or customers in his Unit.

ARTICLE X **DESCRIPTION OF UNITS**

1. Description of the Units. It is understood that each unit consists of the space enclosed or bounded by the horizontal and vertical planes set forth and identified as a unit in the delineation thereof in Exhibit "D". All Units, are delineated on the Plat attached hereto as Exhibit D and made a part of this Declaration. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat. Said Units are legally described on Exhibit A attached hereto and made a part hereof.

2. Storage Units. The Developer shall assign a limited common element storage unit to each Unit Owner and the use and control of said limited common element storage unit shall be subject to such rules and regulations as the Association may set.

3. Certain Structures Not Constituting Part of a Unit. If any chutes, flues, ducts, conduits, wires, bearing

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walls, bearing columns, or any other apparatus lies partially within and partially outside of the designated boundaries of a unit, any portions thereof serving only that unit shall be deemed a part of said unit, while any portions thereof serving more than one unit or any portion of the common elements shall be deemed a part of the common elements.

ARTICLE XI **VIOLATION OF DECLARATION/REMEDIES**

The violation of any rule or regulation adopted by the Association or the breach of any covenant or provision herein or in the Bylaws contained shall, in addition to any other rights provided for in this Declaration or the Bylaws, give the Association the right (a) to enter on the Unit or any portion of the Property on which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing, or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and neither the Association nor the officers, employees, or agents thereof shall thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate, or remedy by appropriate legal proceedings, either by law or in equity, the continuance of any breach; or (c) to take possession of such Unit Owner's interest in the Property and to maintain an action for possession of such Unit in the manner provided by law.

Provided, however, that, except in cases of emergency when damage to persons or property is threatened, the Association shall not take any such action unless (a) it has first given the Unit Owner alleged to have violated any restriction, condition, or regulation adopted by the Association or to be in breach of any covenant or provision herein or in the Bylaws contained a hearing on such allegations pursuant to rules and regulations adopted by the Association; (b) the Association shall have determined such allegations to be true; and (c) the Unit Owner shall not have desisted from such violation or breach or shall not have taken such steps as shall be necessary to correct such violation or breach within such reasonable period of time as determined by the Association and communicated to the Unit Owner. Any and all costs and expenses incurred by the Association in the exercise of its authority as granted in this paragraph 12, including but not limited to court costs, reasonable attorneys' fees as determined by a court of competent jurisdiction, and cost of labor and materials, shall be paid by the Unit Owner in violation and, until paid by such Unit Owner, shall constitute a lien on the interest of such Unit Owner in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses. Any such lien shall be junior and subordinated to the lien of a First Mortgagee with respect to such Unit.

Furthermore, if, after hearing and finding as aforesaid, the Unit Owner fails to desist from such violation or to take such corrective action as may be required, the Association shall have the power to issue to the defaulting Unit Owner a ten (10) day notice in writing to terminate the rights of the defaulting Unit Owner to continue as a Unit Owner and to continue to occupy, use, or control his Unit, and thereupon an action in equity may be filed by the Association against the defaulting Unit Owner for an order declaring the termination of the defaulting Unit Owner's right to occupy, use, or control the Unit owned by him on account of the violation of a rule or breach of covenant or provision as aforesaid and ordering that all the right, title, and interest of the Unit Owner in the Property shall be sold at a judicial sale upon notice and terms as the court shall establish, except that the court shall enjoin and restrain the defaulting Unit Owner from reacquiring his interest at such judicial sale or by virtue of the exercise of any right of redemption that may be established, and except that the court shall direct that any existing first mortgage be retired out of proceeds of such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, reasonable attorneys' fees, and all other expenses of the proceeding and sale, and all such items shall be

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taxed against the defaulting Unit Owner in the order. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens shall be paid to the Unit Owner. Upon the confirmation of such sale, the purchaser thereat shall thereupon be entitled to a deed to the Unit and, subject to the first right and option of the Association as provided in Article V(e) above, to immediate possession of the Unit sold and may apply to the court for an order of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the order shall so provide, that the purchaser shall take the interest in the Property sold subject to this Declaration.

Any Unit Owner in default hereunder or under the provisions of the Bylaws or any rule or regulation adopted by the Association shall pay to the Association, as an agreed Common Expense with respect to his Unit, all attorneys' fees incurred by the Association in enforcing the provisions of the Bylaws, this Declaration, or the rules and regulations of the Association as to which the Unit Owner is in default. Until such fees are paid by the Unit Owner, the amount thereof shall constitute a lien on the interest of the Unit Owner in the Property, which lien may be perfected and foreclosed in the manner provided in Section 9 of the Act with respect to liens for failure to pay a share of the Common Expenses. Any such lien shall be junior and subordinate to the lien of a First Mortgagee with respect to such Unit.

ARTICLE XII **MISCELLANEOUS PROVISIONS**

1. Entry by Association. The Association or its officers, agents, or employees may enter any Unit when necessary in connection with any painting, maintenance, repair, or reconstruction for which the Association is responsible or which the Association has the right or duty to do. Such entry shall be made with as little inconvenience to the Unit Owner as practicable, and except in the event of emergency, shall be done upon reasonable notice to the Unit Owner. Any damage caused thereby shall be repaired by the Association as a Common Expense.

2. Grantees. Each grantee of the Owner or the Developer, each purchaser under Articles of Agreement for Deed, and each tenant under a lease accepts the same subject to all easements, restrictions, conditions, covenants, reservations, liens and charges, the Bylaws, the rules and regulations of the Association, and the jurisdiction, rights, and powers created or reserved by this Declaration and the provisions of the Act, as at any time amended, and all easements, rights, benefits, and privileges of every charter hereby granted, created, reserved, or declared and all impositions and obligations hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of each grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance.

3. Failure to Enforce. No terms, obligations, covenants, conditions, restrictions, or provisions imposed hereby or contained herein shall be abrogated or waived by any failure to enforce them, no matter how many violations or breaches may occur....

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DEFINITIONS OF INTEREST:

Common Elements: All portions of the Property except the Units, including, without limiting the generality of the foregoing, the Parcel, stairways, corridors, roofs, storage areas, laundries, mechanical rooms and equipment therein, refuse collection system, central heating system, and structural parts of the improvements on the Parcel, wherever located.

Limited Common-Elements: That part of the Common Elements contiguous to and serving a single Unit exclusively as an inseparable appurtenance thereto, including specifically such portions of the perimeter walls, floors and ceilings, windows and doors, and all fixtures and -structures therein that lie outside the Unit boundaries, pipes, ducts, flues, shafts, electrical wiring or conduits, or other system or component part thereof that serve a Unit exclusively to the extent such system or component part is located outside the boundaries of a Unit.

Occupant: A person or persons, other than a Unit Owner, in possession of a Unit.

Property: All land, property, and space comprising the Parcel, all improvements and structures erected, constructed, or contained therein or thereon, including the Building and all easements, rights, and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit, and enjoyment of the Unit Owners, submitted to the provisions of the Act.

Unit Owner: The person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit and its appurtenant undivided ownership interest in the Common Elements. The unit owner for purposes of the public housing owned units is the Chicago Housing Authority.