



## Chicago Housing Authority Proposed Deal Terms Sheet Subject to CHA Board and HUD Approval

**RE:** Loomis Courts Redevelopment

**Date:** August 25, 2025

### Project Overview

**Development Type:** Rehabilitation of Existing Multifamily Housing and Redevelopment of Site

**Transaction Type:** LIHTC Re-Syndication utilizing HUD's Restore-Rebuild Program

**Owner Entity:** Structure TBD – CHA as Managing Member/General Partner

**Co-Developer:** Selected Respondent

**Property Address:** 1314 West 15<sup>th</sup> Street & 1342 West 15<sup>th</sup> Street

**Ward:** 28<sup>th</sup> Ward/Alderman Jason Ervin

**Guarantor:** Negotiable

**Schedule:** Projected LIHTC Award: Q4 2026  
Projected Closing: Q4 2027  
Projected Construction Start: Q1 2028  
Projected Construction Completion: Q1 2029

**Property Manager:** Proposed by the Selected Respondent

**Architect of Record:** Proposed by the Selected Respondent

**General Contractor:** To Be Determined – The Selected Respondent will propose a General Contract who will provide preconstruction services. CHA may request the project be formally bid using design drawings once complete.

Loomis Courts Apartments – Existing Unit Mix		
Unit Type	1314 W. 15 <sup>th</sup> St.	1342 W. 15 <sup>th</sup> St.
One Bedroom	42**	42
Two Bedroom	21	21
<b>Total</b>	<b>63</b>	<b>63</b>

\*\*Please note – The 126 total unit count includes two first floor one-bedroom units in 1314 W. 15<sup>th</sup> St. that have previously been combined and currently serves as Property Management offices.

**Note: Any proposed changes to project characteristics, financing or business terms must be submitted to CHA Development in writing for approval.**



**Income Tiering/  
Averaging:**

Income Averaging – a portion of CHA units must be affordable to 80% AMI

**Section 504  
UFAS Units:**

To the greatest extent feasible - the Selected Respondent and CHA will work with the design team to achieve compliance with UFAS requirements, and the team will engage directly with the Mayor's Office for People with Disabilities (MOPD) to define and agree to a scope of work that will meet MOPD accessibility requirements.

## **CHA Operating Subsidy**

**Type:** Restore-Rebuild

**Duration of HAP:** Up-to 20-year HAP Contract with automatic renewal

**Rent Amounts:** Initial rent amounts will be determined by HUD and will be issued through an approved Notice of RAD Rents (NARR) issued for project. The HAP PBV issued after unit delivery will include OCAF adjustments for each applicable year.

The following rent amounts are an estimate and should be factored into the submittal requirements under "Capacity to Implement Development Financing Strategy" -

<b>Loomis Courts – Estimated Contract Rent Amounts (includes 2025 OCAF adjustments and excludes utility allowance)</b>	
<b>Unit Type</b>	<b>Rent Amounts</b>
One Bedrooms	\$1,401
Two Bedrooms	\$1,661

## **CHA Capital and Other Financing Terms**

**CHA Loan:** Lender: CHA  
Loan Amount: To-Be-Determined  
Term: 40 years  
Perm Loan Interest Rate: Negotiable  
Construction Loan Term: Approved construction period term  
Construction Loan Interest Rate: Negotiable  
Construction Period Interest on CHA loan to be paid to CHA and can be accrued to permanent loan.

**Note: Any proposed changes to project characteristics, financing or business terms must be submitted to CHA Development in writing for approval.**



**Seller's Note:** Lender: CHA  
Loan Amount: Subject to appraisal  
Term: Up to 40 years perm. loan and approved construction period term  
Perm Loan Interest Rate: Negotiable

Amount subject to final appraisal of fair market value for the existing buildings and the fair market value of a 75-year ground lease for the land.

## **CHA Business Deal Terms – Existing Buildings at Loomis Courts**

**Ground Lease Term:** 75 years or Minimum Required by Lenders/Investors – Project max not to exceed 75 years.

**CHA Right of First Refusal:** CHA will retain the Right of First Refusal to be detailed in the final Limited Partnership Agreement or LLC Operating Agreement

**CHA Early Purchase Option:** The CHA will have the ability to purchase the Selected Respondent's ownership interest for \$1.00 upon occurrence of a negotiated and agreed to Development Obligation Date and subject to the consent of the future Investor Member/Limited Partner.

This option will be conditioned on the Selected Respondent having received their agreed to share of developer fee and all other funding proceeds owed to them. By exercising this option, the Selected Respondent will be released from all assigned guarantees and indemnities related to the project.

**CHA Asset Management Fee:** \$578 per CHA unit (above the line) per year included in operating budget escalating at 3% per year from the date of initial closing. Payments to commence at permanent loan conversion.

**Real Estate Taxes:** CHA is able to achieve real estate tax exemption with PILOT payments on 100% of the CHA units in circumstances where it is the manager member/general partner (or a non-profit partnered with CHA). -

CHA is open to exploring other means of abatement to minimize the properties real estate tax amount.



**CHA Participation in Developer Fee:**

CHA will negotiate developer fee splits based upon guarantees, CHA's share of cash flow, total and timing of payment of cash and deferred developer fee, project roles and responsibilities.

**CHA Participation in Ownership:** CHA as Managing Member/General Partner

**Cash Flow:** The share of project's cash flow received by both parties after full payment of deferred developer will be negotiated.

**Replacement Reserves:** Minimum of \$550 Per Unit Per Year.

**Perm Loan Term:** Minimum 17-year term plus a minimum 2-year forward commitment during the construction period. Preference will be given to repayment terms that extend beyond 17 years.

**Anticipated CHA Fee Payments:** Payment or reimbursement of CHA 3<sup>rd</sup> party costs may include but are not limited to the following:

- \$130,000 for CHA Legal Fees as separate from partnership legal fees
- Section 504 UFAS Accessibility design and construction reviews
- IEPA and Environmental Review Fees

**Predevelopment Expenses:** CHA will work with the Selected Respondent to cover a negotiated portion of the necessary predevelopment expenses for the redevelopment of the existing buildings at Loomis Courts.

Predevelopment expenses must be in alignment with an agreed to predevelopment budget.

CHA must be informed of all expense prior to work being performed.



## **CHA Business Deal Terms – Opportunity to Acquire Portions of Site**

<b>Conveyance Type:</b>	To be negotiated with selected respondent(s).
<b>Possible Land-to-be-Conveyed:</b>	For respondents interested purchasing underutilized portions of the site in pursuit of the opportunity to create new units - the boundaries of the potential sub-parcels to be conveyed are generally described in the solicitation but are negotiable.
<b>Purchase Price:</b>	The purchase price to be included in the PSA must be based on the appraised value of the sub-parcels of land to be conveyed. The appraisal must be dated within 1 year of closing on the acquisition.
<b>Form of Deed:</b>	To be negotiated with selected respondent(s).
<b>Closing Costs:</b>	Each party will be responsible for their own acquisition legal fees. The purchaser will be expected to pay all costs related to closing including those costs associated with the subdivision of the land.
<b>Other Terms:</b>	Other terms, including those to be included in the Purchase and Sale Agreement, will be negotiated with the Selected Respondent.
<b>Sales Proceeds:</b>	Sales proceeds received from the disposition and sale of the sub-parcels will be loaned as a funding source to finance the renovation of the existing Loomis Courts buildings.