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ADOPTED - BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
SEPTEMBER 8, 2010

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK AND STATE OF ILLINOIS

RESOLUTION AUTHORIZING THE PURCHASE OF
THE HAROLD WASHINGTON CULTURAL CENTER

WHEREAS, the Board of Trustees of Community College District No. 508 (herein referred to as “City Colleges” or “CCC”) has determined that the Harold Washington Cultural Center (“HWCC” or the “Property”), located at 4701 S. Dr. Martin L. King Jr. Dr., Chicago, IL, 60615, has the potential to become a leading educational, entertainment and cultural arts venue and would be a valuable asset to CCC; and

WHEREAS, the Property is currently in foreclosure proceedings, which were initiated by ShoreBank Corporation and now reside with the successor in interest to ShoreBank Corporation (collectively, “ShoreBank”), the first lien mortgage holder on the Property against the title holder and borrower Tobacco Road Incorporated, a not for profit Illinois corporation (“TRI”); and

WHEREAS, CCC desires to purchase the mortgage loan and Promissory Note (“Note”) of ShoreBank which is secured by the said first mortgage and to complete the said foreclosure to become, upon the assignment to CCC of other interests, the title holder of the Property; and

WHEREAS, CCC has entered into negotiations with ShoreBank to purchase the Note, secured by the said first mortgage which would allow CCC to acquire ShoreBank’s rights as first mortgage lien holder; and

WHEREAS, the City of Chicago (the “City”), which holds various secondary mortgage liens on the Property, has committed to the assignment to CCC of all of the City’s rights in the Property; and

WHEREAS, subject to the approval of the City Council, the City has committed to assume the cost of the Note purchase by CCC from ShoreBank or its successor in interest; and

WHEREAS, the Board of Trustees does hereby find and determine that it is in the best interests of City Colleges, its staff and students, and the community to effectuate the various purchases and assignments, as set forth herein, with the goal of completing the foreclosure and of CCC becoming the title holder to the HWCC free and clear of all other liens; and

WHEREAS, the Board anticipates that the combined cost of the said purchases will be approximately One Million Seven Hundred and Eighty Thousand and 00/100 (\$1,780,000) Dollars depending on the sum of principal and accumulated interest, late charges and fees as of the date of the Note purchase;

NOW, THEREFORE, be it resolved that the Board of Trustees of Community College District No. 508, Cook County, Illinois, hereby authorizes (i) the purchase of the Shorebank Note secured by a first mortgage on the Property from ShoreBank or its successor in interest; (ii) the acceptance of an assignment of the secondary lien mortgages on the Property held by the City (which will include any and all City rights in the Property) from the City; and (iii) the acceptance of funds from the City for the purpose of reimbursing City Colleges for the purchase of the Note.

NOW BE IT FURTHER RESOLVED, that the Chairman, is authorized to execute any and all documents necessary to effect the transactions described above.