**Section 310.401 Maximum Mortgage Loan Amount**

a) Establishing Amount. The maximum Mortgage Loan amount available to an Owner that is a Limited-Profit Entity is 90% of the Cost of Development, as determined and approved by the Authority in its sole discretion. The maximum Mortgage Loan amount available to an Owner that is a Nonprofit Corporation is 100% of the Cost of Development, as determined by the Authority in its sole discretion.

b) Mortgage Loan Increase. After the Authority has made a Mortgage Loan for a Development, nothing contained in this Section shall prohibit the Authority from increasing the amount of the Mortgage Loan in excess of the limitations specified in Section 310.401 of this Part if the Authority, in its sole discretion, determines that the increase is necessary to maintain the financial stability or economic viability of the Development. In deciding whether to approve a Mortgage Loan increase, the Authority shall consider the physical condition of the Development, the value of the Development as security for the Mortgage Loan, the Authority's ability to provide the Mortgage Loan increase, the ability of the Owner to repay the Mortgage Loan out of gross Development income, the financial status of the Development, and any other relevant factors.

c) Refinancing Mortgage Loans in Foreclosure or Default. Nothing contained in this Section shall prohibit the Authority from settling defaults under any existing Mortgage Loan or restructuring a defaulted Mortgage Loan pursuant to settlement terms that the Authority deems appropriate, including making a new Mortgage Loan to pay all or a portion of the amounts due and owing under the defaulted Mortgage Loan and any costs, fees and expenses of the Authority in connection with the defaulted Mortgage Loan and the restructuring of the Mortgage Loan. Any new Mortgage Loan that is made in settlement and/or restructuring of a defaulted Mortgage Loan may be in an amount that exceeds the amount due and owing under the defaulted Mortgage Loan, and shall include only such amounts as the Authority deems necessary and appropriate for the financial rehabilitation of the Development and to mitigate any loss to the Authority, including, without limitation, the following: the costs of redeeming any Bonds issued to finance the defaulted Mortgage Loan, including any premium payable in connection with the redemption; the costs of issuance of any Bonds issued to finance a new Mortgage Loan; the costs of audits of the Development or the debt service payments on the defaulted Mortgage Loan; the costs of appraisals of the Development and assessments of the physical condition of the Development, including, without limitation, environmental studies required by the Authority or any third party in connection with the settlement; the costs of repair, maintenance or improvement of the Development; legal and accounting fees and expenses (including the fees and expenses of counsel to the Authority) to the Authority relating to the exercise of remedies by the Authority under the defaulted Mortgage Loan; the Authority's work-out fees, or other charges made by the Authority against the Development; defaulted debt service payments, delinquency payments and other amounts due and owing under the defaulted Mortgage Loan; title insurance premiums and recording fees; and the Authority's administrative expenses relating to the defaulted Mortgage Loan.

(Source: Amended at 31 Ill. Reg. 4392, effective February 28, 2007)