



COVENANT OF RESIDENCY

S O F S.

This Covenant of Residency ("Covenant") is made this 28TH day of JANUARY, 2000 by ERICK DEMOND PRUITT & KENYA M. PRUITT ("Mortgagor") to the City of Chicago, an Illinois municipal corporation ("City").

FIRST HOME MTG. CORP.

RECITALS

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WHEREAS, the City Council of the City, by ordinance adopted October 2, 1995, established the City Lots for City Program ("Program") to facilitate the construction of affordable, new, high-quality, owner-occupied or rental housing within the City; and

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WHEREAS, pursuant to the objectives of the Program, the City and Commonwealth Community Church, an Illinois not-for-profit ("Developer"), executed that certain "Redevelopment Agreement, City Lots for City Living Program, Commonwealth Community Church" dated as of _____, 19__ whereby Developer redeveloped that certain parcel legally described on Exhibit A attached hereto ("Land") by constructing a single family housing unit ("Single Family Home") and other improvements on the Land (the Land, the Single Family Home and other improvements are collectively referred to as the "Mortgaged Property"); and

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WHEREAS, the Land was acquired by Developer from the City at a price equal to its market value of \$20,000.00 less a discount not to exceed Twenty Thousand Dollars ("Discount"), plus the City's transaction costs; and

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WHEREAS, the Discount is not reflected in the sales price for the Mortgaged Property paid by the Mortgagor to Developer at closing, and may be recovered by the City only upon the terms and conditions set forth in the Covenant of Residency;

NOW, THEREFORE, in consideration of the benefits accruing to Mortgagor as a result of its purchase of the Mortgaged Property and the Single Family Home which was constructed by Developer through its participation in the Program, Mortgagor covenants to the City as follows:

No ABSTRACT

1. Mortgagor covenants to the City that it meets the income eligibility requirements established by the City pursuant to the Program in order to participate as an initial homebuyer of the Mortgaged Property under the Program.

BOX 333

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2. Mortgagor paid Developer the purchase price of \$_____.00 ("Purchase Price"), including options, for the Mortgaged Property on the date of conveyance of the Mortgaged Property from Developer to Mortgagor ("Conveyance Date").

3. Mortgagor shall own the Mortgaged Property and utilize the Single Family Home as its primary residence for a period of four (4) years commencing with the Conveyance Date ("Affordability Period").

4. If Mortgagor conveys the Mortgaged Property, or executes a deed in lieu of foreclosure, prior to the expiration of the Affordability Period at a price in excess of the Purchase Price, the City shall be entitled to recapture, and Mortgagor shall be obligated to pay the City at closing an amount equal to the Discount, which will be reduced by an amount for each full expired year of the Affordability Period by an amount equal to the Discount divided by the number of years constituting the Affordability Period.

5. The Covenant of Residency shall be secured by that certain "Mortgage, Security and Recapture Agreement" of even date herewith ("Mortgage") made by Mortgagor in favor of the City, encumbering the Mortgaged Property, which upon execution by the parties, the Mortgage shall be filed and recorded with the Office of Recorder of Deeds of Cook County, Illinois.

6. Provided that Mortgagor has complied fully with the terms of the Covenant of Residency and the Mortgage, the City, within thirty (30) days of receipt of a written request from Mortgagor, shall issue a release of the Covenant of Residency.

7. Any payment to be made by Mortgagor to the City pursuant to the Covenant of Residency shall be made at the Office of the City Comptroller for the City of Chicago, Illinois, or at such other places designated by the City.

8. If any lawsuit is instituted by the City to recover any sums owed the City pursuant to the Covenant of Residency, Mortgagor agrees to pay all of the City's costs incurred as a result of such collection, including reasonable attorney's fees and court costs.

9. Demand, protest and notice of demand and protest are hereby waived, and Mortgagor hereby waives, to the extent authorized by law, any and all exemption rights authorized by law which otherwise would apply to the recapture provisions evidenced by the Covenant of Residency.

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IN WITNESS WHEREOF, the Covenant of Residency has been duly executed by Mortgagor, as of the date above written.

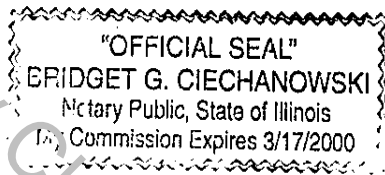
[Handwritten Signature]

[Handwritten Signature]

SUBSCRIBED AND SWORN to
me this 28th day of
January 2000.

[Handwritten Signature]
Notary Public

My Commission expires _____.



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STREET ADDRESS: 7256 SOUTH HARVARD AVENUE
CITY: CHICAGO COUNTY: COOK
TAX NUMBER: 20-28-208-024-0000

LEGAL DESCRIPTION:

THE SOUTH 4.20 FEET OF LOT 11 AND THE NORTH 20.38 FEET OF LOT 12 IN BLOCK 4 IN EGGLESTON'S SECOND SUBDIVISION, BEING THE NORTH 1/2 OF THE NORTHEAST 1/4 (EXCEPT THE NORTH 1/2 OF THE NORTH 1/2 OF THE NORTH 1/2 OF SAID NORTHEAST 1/4 SUBDIVISION IN EGGLESTON'S SUBDIVISION) OF SECTION 28, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

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