

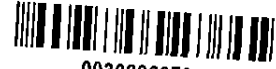
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Cook County Recorder 28.50



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Property of Cook County Clerk's Office

First Time Homebuyer Agreement between

Neighborhood Housing Services (NHS)

And

Benny Ruiz and Barbara C. Ruiz

Neighborhood Housing Services of Elgin, Inc.
Affordable Housing Program
Subsidy Funds Recapture Agreement

20th BR
BR.

This Agreement is made this October 25th, 2002 by and between Neighborhood Housing Services of Elgin, Inc., referred to as NHS, and Beny and Barbara C. Ruiz, referred to as the "Borrower(s), for the subject property located at: 704 Jefferson, Elgin, IL, 60120.

LEGAL: The Easterly 39.34 feet of Lot 39, as measured at right angles to the Easterly line of said lot in Lord's Park Manor Unit Number 2, being a subdivision of part of Lot 3 and Lot 5 in Circuit Court Partition of parts of Section 6 and 7, Township 41 North, Range 9 East of the Third Principal Meridian, in Cook County, Illinois
P.I.N.: 06-07-306-025-0000

This loan is originated pursuant to the Neighborhood Housing Services Home Ownership Program, referred to as the "Program". The Borrower has applied for and received subsidy funds under the Program in the amount of Two Thousand Eight Hundred Ninety Eight and no cents (\$2,898.00), the "Grant", which is to be applied directly to the down payment required for the loan. The Borrower hereby acknowledges receipt of the funds and agrees to the recapture program outlined below.

The Borrower agrees that in the event the property financed pursuant to the Program is sold within five (5) years from the date of this agreement set forth above, the "restricted period", and the net gain from the sale exceeds the original purchase price of the subject property, less any non-debt subsidy, the Borrower shall refund to NHS a portion of the Grant as follows:

In the event the subject property is sold during the first calendar year the borrower shall repay the total amount of the Grant. In each of the following four (4) years, the Grant will be forgiven at the rate of 20% per calendar year that the Borrower owns the subject property. The following repayment schedule will be followed:

- If subject is sold within the First year, 100% of the Grant will be repaid.
 - If subject is sold within the Second year, 80% of the Grant will be repaid.
 - If subject is sold within the Third year, 60% of the Grant will be repaid.
 - If subject is sold within the Fourth year, 40% of the Grant will be repaid.
 - If subject is sold within the Fifth year, 20% of the Grant will be repaid.
- After the Fifth year, the Grant is considered paid-in-full.

All subsidies can be recovered if a property is sold for less than fair market price in a less than arm's length transaction.

The non-debt subsidy will be paid after the first mortgage, subsidized second mortgage and all normal and bona fide sales expenses, but prior to any funds being paid to the Borrower.

Reimbursement of the subsidy funds shall be made directly to NHS from the proceeds of the sale, at closing.

The Borrower agrees that in the event that the subsidy funds are not repaid in accordance with the provision set forth above, NHS may commence legal action to collect the funds in accordance with the terms of this agreement.

Beny Ruiz (Borrower)

Barbara C. Ruiz (Borrower)

