

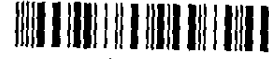
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Cook County Recorder 36.50



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**RETENTION / REPAYMENT AGREEMENT FOR RENTAL PROJECTS**

**USING LOW INCOME HOUSING TAX CREDITS (LIHTCS)**

**AFFORDABLE HOUSING PROGRAM REPAYMENT AGREEMENT**

**AMONG**

**MANUFACTURERS BANK,**

**HISPANIC HOUSING DEVELOPMENT CORPORATION**

**AND**

**GATEWAY APARTMENTS LIMITED PARTNERSHIP**

**After recording return to:**

John R. Joyce  
Stahl Cowen Crowley LLC  
55 West Monroe, Suite 500  
Chicago, Illinois 60603

RETENTION / REPAYMENT AGREEMENT FOR RENTAL PROJECTS

USING LOW INCOME HOUSING TAX CREDITS (LIHTCs)

AFFORDABLE HOUSING PROGRAM  
REPAYMENT AGREEMENT

THIS AGREEMENT is entered into on this 19th day of September, 2001, among Manufacturers Bank ("Bank"), and Hispanic Housing Development Corporation an Illinois not-for-profit corporation ("Developer"), and Gateway Apartments Limited Partnership an Illinois limited partnership ("Partnership").

RECITALS:

A. Pursuant to Section 721 of the Financial Institution's Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), the Federal Housing Finance Board ("Board") is required to cause each Federal Home Loan Bank ("FHLBank") to establish an affordable housing program ("AHP") to assist members of each FHLBank to finance affordable housing for very low, low and moderate income households.

B. Bank is a member of the Federal Home Loan Bank of Chicago ("Chicago Bank") and submitted an application dated October 1, 1998 (the "Application") for an AHP grant for the purchase, construction, or rehabilitation of property commonly known as Gateway Center ("Property"). Developer has formed Partnership for the purpose of acquiring, constructing, or rehabilitating the Property located at 7450 N. Rogers, Chicago, IL to be rented to low and very low income persons. The sole general partner of Partnership is Gateway Center Apartments, LLC.

C. Pursuant to regulations (including, without limitation, those contained in 12 CFR Part 951) promulgated by the Board pursuant to FIRREA ("AHP Regulations"), members of each FHLBank are required to provide for the Repayment of any subsidized advances or other subsidized assistance in connection with unused or improperly used AHP subsidies.

D. In connection with the AHP grant, Bank entered into that certain Affordable Housing Program Subsidy Agreement ("Subsidy Agreement") dated September 19, 2001, with Chicago Bank and Developer, pursuant to which Bank agreed to be bound by AHP Regulations and perform certain monitoring functions with respect to the Grant (defined below).

E. The parties desire to set forth those circumstances under which Bank shall be entitled to a Repayment of subsidy funds from either Developer or Partnership in connection with its AHP grant to Developer for the purchase, construction, or rehabilitation of the Property.

## AGREEMENTS

1. Subsidy Amount. The parties hereby acknowledge and agree that Bank has, on even date herewith, disbursed the proceeds of a grant to Developer ("Grant") in the amount of \$300,000. Developer has made a capital contribution of the Grant to Partnership through its subsidiary, Hispanic Gateway Corporation, a member of the general partner of the Partnership. The term during which Partnership must comply with the AHP provisions of FIRREA to qualify and maintain the Grant is 15 years from the date of project completion, at which time this Recapture Agreement shall terminate.

2. Affordability Requirements. Partnership agrees, during the term of the Grant, to manage and operate the Property as rental housing for very low, low, and/or moderate income households. For purposes of this Agreement, very low income households shall mean households whose annual income is 50% or less of area median income, low income households shall mean households whose annual income is 60% or less of area median income and, moderate income households shall mean households whose annual income is 80% or less of area median income, as determined from time to time by the U.S. Department of Housing and Urban Development ("HUD") or as further provided in federal regulations. Partnership agrees to make 47 units affordable for and occupied by very low income households, and 48 units affordable for and occupied by low income and 25 affordable units to and occupied by moderate income households during the term of this Repayment Agreement.

3. Compliance Documentation. Partnership shall provide to the Bank any information regarding the project and use of the AHP subsidy pursuant to the AHP Regulations as amended from time to time and as required by the Chicago Bank.

4. Compliance. Developer and Partnership shall at all times comply with all laws, rules and regulations (including, without limitation, AFIP Regulations) and with the provisions contained in the Application and those provisions contained in the Subsidy Agreement as they relate to the construction, ownership, management and operation of the Property.

5. Breach of Affordability Requirements. In the event Partnership or Developer, at any time during the term of the Grant, defaults in its obligation to manage and operate the Property and provide compliance information as required pursuant to paragraph 3 above or otherwise fails to comply with the terms of this Agreement, and such default continues for a period of 60 days after notice to Partnership from Bank or such shorter period of time required to avoid a default by Bank under the Subsidy Agreement, it shall be an Event of Default of this Agreement and Partnership and Developer shall immediately pay Bank that portion of the Grant which may be recaptured from Bank by Chicago Bank.

6. Indemnification and Survival. Developer and Partnership hereby agree to fully and unconditionally indemnify, defend and hold harmless Bank from and against any judgments, losses, recapture, liabilities, damages (including consequential damages), costs, expenses of whatsoever kind or nature, including, without limitation, attorney's fees, expert witness fees, and

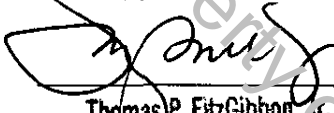
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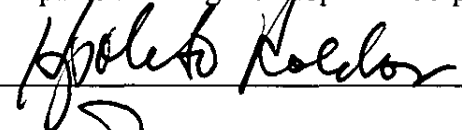
any other professional fees and litigation expenses or other obligations incurred by Bank that may arise in any manner out of actions or omissions which result from Partnership or Developer's performance or failure to perform pursuant to the terms of this Agreement. The representations, warranties, obligations and indemnification of Partnership and Developer shall survive the term of this Agreement.


7. Joint and Several. The obligations of Partnership and Developer hereunder are joint and several.

Executed and delivered as of the date first above written.

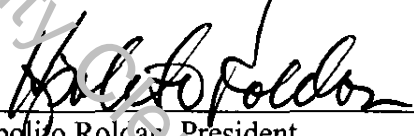
Manufacturers Bank  
By:   
Thomas P. FitzGibbon, Jr.

Its:   
Sean Vice President

Hispanic Housing Development Corporation  
By: 

Its: 

Gateway Apartments Limited Partnership  
By: Hispanic Gateway Corporation, its general partner

By:   
Hipolito Roldan, President

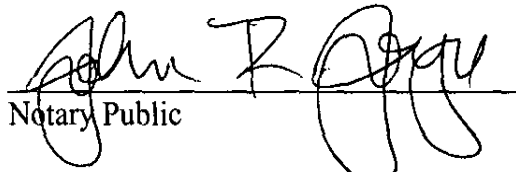
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STATE OF ILLINOIS )  
 ) .ss  
COUNTY OF COOK )

I, John R. Joyce, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Thomas FitzGibbon, Jr., Senior Vice President of Manufacturer's Bank, is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 19<sup>th</sup> day of September, 2001.

  
Notary Public

My Commission Expires: \_\_\_\_\_



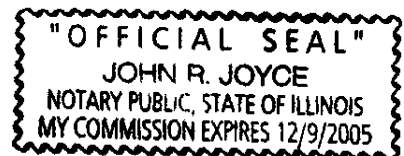
STATE OF ILLINOIS )  
 ) .ss  
COUNTY OF COOK )

I, John R. Joyce, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Hipolito Roldan, President of Hispanic Housing Development Corporation, an Illinois not-for-profit corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 19<sup>th</sup> day of September, 2001.

  
Notary Public

My Commission Expires: \_\_\_\_\_



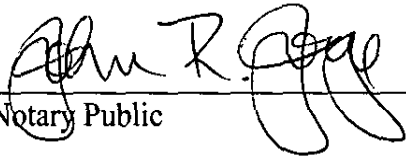
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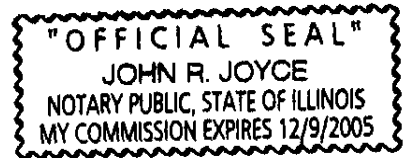
STATE OF ILLINOIS     )  
  ) .ss  
COUNTY OF COOK     )

I, John R. Joyce, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Hipolito Roldan, President of Hispanic Gateway Corporation, an Illinois not-for-profit corporation, the general partner of Gateway Apartments Limited Partnership, an Illinois limited partnership, is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 19<sup>th</sup> day of September, 2001.

  
\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_



Property of Cook County Clerk's Office

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Exhibit A

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## Legal Description

THAT PART OF LOT 9 IN URE'S SUBDIVISION AND PART OF THE 60-FOOT RIGHT OF WAY LINE OF NORTH HERMITAGE AVENUE, ALL BEING IN THE SOUTHEAST FRACTIONAL 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF THE INDIAN BOUNDARY LINE, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHWESTERLY RIGHT OF WAY LINE OF NORTH ROGERS AVENUE AND THE EAST RIGHT OF WAY LINE OF NORTH HERMITAGE AVENUE; THENCE NORTH 00 DEGREE, 01 MINUTES, 05 SECONDS EAST ALONG SAID EAST RIGHT OF WAY LINE OF NORTH HERMITAGE AVENUE, A DISTANCE OF 125.75 FEET; THENCE NORTH 89 DEGREES, 32 MINUTES, 38 SECONDS WEST, A DISTANCE OF 60.00 FEET; THENCE NORTH 00 DEGREES, 01 MINUTES, 05 SECONDS EAST ALONG THE WEST RIGHT OF WAY LINE OF SAID NORTH HERMITAGE AVENUE, A DISTANCE OF 125.45 FEET; THENCE SOUTH 90 DEGREES, 00 MINUTES, 00 SECOND EAST, A DISTANCE OF 177.92 FEET; THENCE SOUTH 00 DEGREES, 00 MINUTES, 00 SECONDS WEST ALONG THE PROPOSED RIGHT OF WAY OF NORTH PAULINA STREET, A DISTANCE OF 175.44 FEET; THENCE SOUTH 57 DEGREES, 07 MINUTES, 58 SECONDS WEST ALONG SAID NORTHWESTERLY RIGHT OF WAY LINE OF NORTH ROGERS AVENUE A DISTANCE OF 140.48 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PIN: 11-30-404-004-0000 AND 11-30-404-005-0000

ADDRESS: Northeast corner of North Hermitage and North Rogers Avenues, Chicago, Illinois

20366091

Cook County Clerk's Office