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Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 03/21/2006 10:42 AM Pg: 1 of 9

**Prepared By, and
When Recorded, Mail to:**

Caleb A. Jewell
Applegate & Thorne-Thomsen, P.C.
322 S. Green Street, Suite 400
Chicago, IL 60607

**RETENTION / RECAPTURE AGREEMENT FOR RENTAL
PROJECTS NOT USING LOW INCOME HOUSING TAX CREDITS (LIHTCs)**

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RETENTION / RECAPTURE AGREEMENT FOR RENTAL

PROJECTS NOT USING LOW INCOME HOUSING TAX CREDITS (LIHTCs)

AFFORDABLE HOUSING PROGRAM RECAPTURE AGREEMENT

THIS AGREEMENT is entered into this 29th day of October, 2004 by and between MB Financial Bank, N.A. ("Bank"), The Association of Jewish Blind of Chicago d/b/a Kagan Home for the Blind ("Sponsor"), and Maplewood Housing for the Visually Impaired, an Illinois not-for-profit corporation ("Owner").

RECITALS:

- A. Pursuant to Section 721 of the Financial Institutions 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. The Bank is a member of the Federal Home Loan Bank of Chicago ("Chicago Bank") and submitted an application dated April 1, 2004 (the "Application") for an AHP subsidy in connection with the purchase, construction, or rehabilitation of the property commonly known as Friedman Place, located at 5527 North Maplewood Avenue, Chicago, Illinois 60625 ("Property").
- C. Pursuant to regulations (including, without limitation, those contained in 12 CFR Part 960) promulgated by the Board pursuant to FIRREA ("AHP Regulations"), members of each FHLBank are required to provide for the recapture 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 June 28, 2004, with Chicago Bank and Sponsor, pursuant to which Bank and Sponsor agreed to be bound by AHP Regulations and perform certain monitoring functions with respect to the Subsidy (defined below).
- E. The parties desire to set forth those circumstances under which the Bank shall be entitled to a recapture of subsidy funds in connection with the grant to Sponsor.

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AGREEMENTS

1. Subsidy Amount. The parties acknowledge and agree that Bank has on even date herewith, disbursed the sum of \$345,000 ("AHP Subsidy") to the Sponsor and/or Owner to be used in connection with the purchase, construction, or rehabilitation of Friedman Place. The term during which the Sponsor and Owner must comply with the AHP provisions of FIRREA to qualify and maintain the subsidy is 15 years from the date of project completion, at which time this Recapture Agreement shall terminate ("Retention Period").
2. Affordability Requirements. Sponsor and Owner agree, during the term of this agreement 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. The Sponsor and Owner agree to make thirty (30) of the units affordable for and occupied by very low income households and thirty-four (34) of the units affordable for and occupied by low income households during the term of this Recapture Agreement.
3. Notice of Sale or Refinancing. The Bank and Chicago Bank shall be given notice by Sponsor and/or Owner of any sale or refinancing of the Property occurring prior to the end of the Retention Period.
4. Sale or Refinancing of the Property. If the Property is sold or refinanced prior to the end of the Retention Period, Sponsor and/or Owner must repay an amount equal to the full amount of the AHP Subsidy, unless the Property continues to be subject to a deed restriction or a mechanism incorporating income-eligibility and affordability restrictions committed to in the Application for the duration of the Retention Period.
5. Foreclosure. The income-eligibility and affordability restrictions applicable to the Property terminate after foreclosure on the Property.
6. Compliance Documentation. Sponsor and Owner shall provide to the Bank and Chicago 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.
7. Compliance. Sponsor and Owner shall at all times comply with all laws, rules and regulations (including, without limitation, AHP 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.
8. Breach of Affordability or Reporting Requirements.

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(a) In the event Sponsor or Owner, at any time during the term of the AHP Subsidy, defaults in its obligation to manage and operate the Property and provide compliance information as required pursuant to paragraph 6 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 Sponsor or Owner 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 Sponsor or Owner shall immediately pay Bank that portion of the Subsidy which may be recaptured from Bank by Chicago Bank.

(b) Owner shall repay to Bank that portion of the AHP Subsidy, including interest, if appropriate, that, as a result of Owner's actions or omission, is not used in compliance with the terms of the Application or the requirements of the AHP Regulations, unless such noncompliance is cured by Owner within a reasonable period of time or the circumstances of noncompliance are eliminated through a modification of the Application, pursuant to the AHP Regulations.

9. Certifications. Sponsor and Owner hereby certifies to Bank as follows:

(a) All the units in this Project will be open to income - qualified households without regard to sex, race, creed, religion, sexual orientation, or type or degree of disability; provided, however, that occupancy of the units will be limited to visually impaired persons (as outlined in the Application).

(b) The AHP Subsidy shall only be for uses authorized under Part 951 of the AHP Regulations.

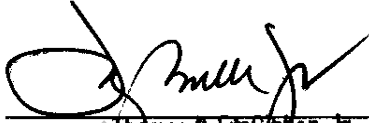
(Signature Page Follows)

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Executed and delivered as of the date first written above.


BANK:

MB FINANCIAL BANK, N.A.

By: 
Name: Thomas P. FitzGibbon, Jr.
Its: Executive Vice President

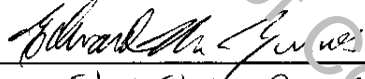
SPONSOR:

**THE ASSOCIATION OF JEWISH
BLIND OF CHICAGO D/B/A KAGAN
HOME FOR THE BLIND**

By: 
Name: Edward M. Barnes
Its: President

OWNER:

MAPLEWOOD HOUSING FOR THE VISUALLY IMPAIRED

By: 
Name: Edward M. Barnes
Its: President

chicago-#50484-v1-FHLB_Recapture_Agreement_Kagan

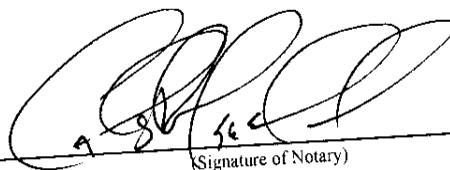
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CITY OF CHICAGO)
) SS.
STATE OF ILLINOIS)

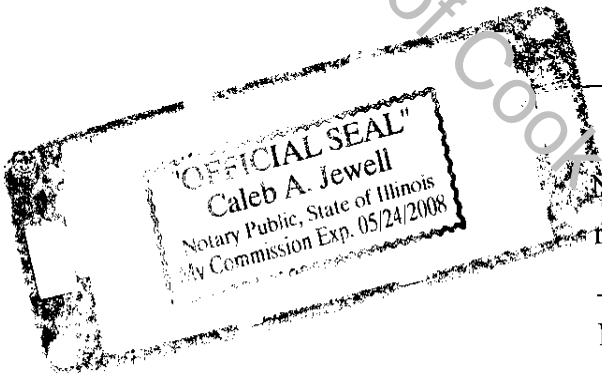
I, Caleb A. Jewell, a notary public in and for said jurisdiction
aforesaid, do hereby certify that Edward Burnet, personally known to me to be
the President of The Association of Jewish Blind of
Chicago d/b/a Kagan Home for the Blind, an Illinois not-for-profit corporation ("Sponsor"), and
personally 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 as such
President, he signed and delivered the said instrument as his free and
voluntary act, and as the free and voluntary act of said Sponsor, for the uses and purposes therein
set forth.

Dated as of October 27, 2004.



(Signature of Notary)

(Legibly Print or Stamp Name of Notary)



Notary public in and for the above jurisdiction,
residing at _____

My appointment expires _____

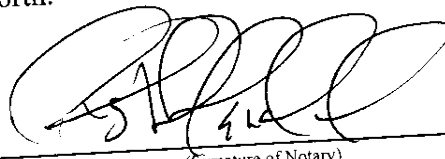
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CITY OF CHICAGO)
) SS.
STATE OF ILLINOIS)

I, Caleb Jewell, a notary public in and for said jurisdiction
aforesaid, do hereby certify that Edward Burnett, personally known to me to be
the President of Maplewood Housing for the Visually
Impaired, an Illinois not-for-profit corporation ("Owner"), and 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 as such President, he signed and
delivered the said instrument as his free and voluntary act, and as the free and voluntary act of
said Owner, for the uses and purposes therein set forth.

Dated as of October 29, 2004.



(Signature of Notary)

(Legibly Print or Stamp Name of Notary)

Notary public in and for the above jurisdiction,
residing at _____

My appointment expires _____

OFFICIAL SEAL
Caleb A. Jewell
Notary Public, State of Illinois
My Commission Exp. 05/24/2008

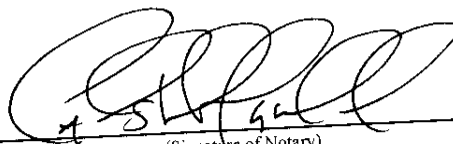
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CITY OF CHICAGO)
) SS.
STATE OF ILLINOIS)

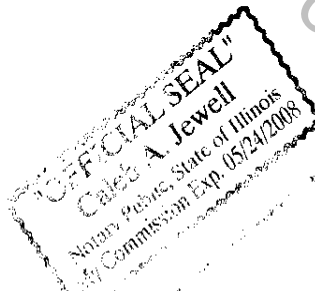
I, Caleb A. Jewell, a notary public in and for said jurisdiction
aforesaid, do hereby certify that Thomas P. Fitzgibbon, personally known to me to be
the Executive Vice President of MB Financial Bank, N.A. ("Bank"), and
personally known to me to be the same person whose name is subscribed to the foregoing
instrument, appeared before me this day in person and acknowledged that as such
Executive Vice President, he signed and delivered the said instrument as his free and
voluntary act, and as the free and voluntary act of said Bank, for the uses and purposes therein
set forth.

Dated as of October 29, 2004.



(Signature of Notary)

(Legibly Print or Stamp Name of Notary)



Notary public in and for the above jurisdiction,
residing at _____

My appointment expires _____

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EXHIBIT A

Legal Description

PARCEL 1:

LOTS 11, 12, 13, 14, 15, 16 AND 17 IN BLOCK 2 IN FRED W. BRUMMELL AND COMPANY'S LINCOLN BRYN-MAWR WESTERN SUBDIVISION, BEING A SUBDIVISION OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 12 AND THAT PART EASTERLY OF LINCOLN AVENUE OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 12 (EXCEPTING THEREFROM THAT PART THEREOF LYING SOUTH OF A LINE 200.0 FEET NORTH OF THE NORTH LINE OF BERWYN AVENUE) ALL IN TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN (EXCEPT STREETS AND ALLEYS) ACCORDING TO THE PLAT OF SAID SUBDIVISION FILED FOR RECORD IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON THE 12TH DAY OF APRIL 1923, AS DOCUMENT NO. 7879542 AS CORRECTED BY CERTIFICATE FILED FOR RECORD IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON APRIL 30, 1923 AS DOCUMENT NO. 7905451, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

LOT 18 AND LOT 19 (EXCEPT THAT PART THEREOF, LYING WEST OF A LINE DRAWN FROM THE NORTHWEST CORNER OF SAID LOT 19 TO A POINT IN THE SOUTH LINE OF SAID LOT, 60 FEET WEST SAID LOT) IN BLOCK 2 IN FRED W. BRUMMELL AND COMPANY'S LINCOLN BRYN MAWR WESTERN SUBDIVISION, BEING A SUBDIVISION OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF THE NORTHEAST 1/4 OF SECTION 12, AND THAT PART EASTERLY OF LINCOLN AVENUE, OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SAID SECTION 12 (EXCEPTING THEREFROM THAT PART THEREOF LYING SOUTH OF A LINE 200.0 FEET NORTH OF THE NORTH LINE OF BERWYN AVENUE) ALL IN TOWNSHIP 40 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT STREETS AND ALLEYS) ACCORDING TO THE PLAT OF SAID SUBDIVISION FILED FOR RECORD IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON THE 12TH DAY OF APRIL 1923, AS DOCUMENT NO. 7879542 AS CORRECTED BY CERTIFICATE FILED FOR RECORD IN THE RECORDER'S OFFICE OF COOK COUNTY, ILLINOIS ON APRIL 30, 1923, AS DOCUMENT NO. 7905451, IN COOK COUNTY, ILLINOIS.

Property Address: 5527 N. Maplewood, Chicago, IL 60625

Property Tax Identification Numbers: 13-12-207-011; 13-12-207-012; 13-12-207-013; 13-12-207-014; 13-12-207-015; and 13-12-207-016