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401 N. Michigan Avenue, Ste. 700
Chicago, IL 60611

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Eugene "Gene" Moore
Cook County Recorder of Deeds
Date: 03/27/2008 12:39 PM Pg: 1 of 4

Property Identification No.:

20.30.204.032.0000

Property Address:

7122 S. Hermitage Avenue

Chicago, Illinois

STF-2741 Historic Chicago Bungalow Rehabilitation Grant 2007

RECAPTURE AGREEMENT

THIS RECAPTURE AGREEMENT (this "Agreement") dated as of the 14th day of March, 2008, made by Robin Walker (the "Owner") whose address is 7122 S. Hermitage Avenue, Illinois, in favor of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** ("Grantor") whose address is 401 North Michigan Avenue, Suite 700, Chicago, Illinois 60611;

WITNESSETH:

WHEREAS, the Owner is the holder of legal title to improvements and certain real property commonly known as 7122 South Hermitage Avenue, Illinois (the "Residence"), legally described in **Exhibit A** attached to and made a part of this Agreement; and

WHEREAS, Grantor has agreed to make a grant to the Owner in the amount of Three Thousand and No Cents (\$ 3,000.00) (the "Grant"), the proceeds of which are to be used for the rehabilitation of the Residence; and

WHEREAS, as an inducement to Grantor to make the Grant, the Owner has agreed to provide this Agreement.

NOW, THEREFORE, the parties agree as follows:

1. **Incorporation.** The foregoing recitals are made a part of this Agreement.

2. **Recapture.**

a. As a condition of the IHDA's making of the Grant, the Owner agrees to repay to IHDA the Repayment Amount (as defined below) if one or more of the following events (each such event is called a "**Recapture Event**") occurs before the fifth (5th)

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annual anniversary of the date of this Agreement:

- (i) the Owner sells, conveys or transfers title to the Residence for consideration;
- (ii) the Residence ceases to be the Owner's principal residence;
- (iii) the Owner refinances the Residence in a manner such that it is not a Permitted Refinancing (as defined below).

The following events (each such event is called a "**Permitted Transfer**") are **not** Recapture Events:

- (iv) a transfer to a spouse as a result of a divorce;
- (v) a transfer by operation of law to a surviving spouse upon the death of a joint Tenant Owner;
- (vi) a transfer by will; or
- (vii) a Permitted Refinancing.

The term "**Permitted Refinancing**" means a refinancing that lowers the interest rate of the first mortgage loan on the Residence, decreases its term or lowers the monthly payment of the loan; it does **not** include a refinancing that increases the outstanding balance of the first mortgage loan, increases the interest rate on the loan or allows the Owner to receive money as a result of the refinancing. Any Permitted Refinancing must be approved by IHDA, in writing, in advance.

b. Repayment Amount. If a Recapture Event occurs, the Owner shall pay to IHDA the amount of the Grant reduced by one sixtieth (1/60th) of that amount for each full month the Owner has occupied the Residence during the term of this Agreement (the "**Repayment Amount**"), but only to the extent of Net Proceeds. If the Repayment Amount is greater than the Net Proceeds, the Owner must pay only the amount of the Net Proceeds; the amount of the Repayment Amount in excess of the Net Proceeds shall be forgiven. For purposes of this **Paragraph 2.b**, "**Net Proceeds**" means the proceeds of the sale or transfer of the Residence less (i) the amount of any documented capital improvement costs to the Residence incurred by the Owner, and (ii) the Owner's initial contribution to the cost of acquiring the Residence.

4. Covenants to Run With the Land; Termination. The agreements set forth in this Agreement shall encumber the Residence and be binding on any future owner of the Residence and the holder of any legal, equitable or beneficial interest in it for the term of this Agreement. This Agreement shall automatically terminate as of the fifth (5th) annual anniversary of its date.

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Exhibit A-Recapture Agreement

Legal Description of Residence

Lot 406 in Dewey and Cunningham's Subdivision of Section 30, Township 38 North, Range 14,
East of the 3rd Principal Meridian, in Cook County, Illinois.

Pin No 20.30.204.032.0000

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