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Eugene "Gene" Moore
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Date: 04/02/2008 02:41 PM Pg: 1 of 12

This Document has been prepared by and after recording return to :

Patricia C. Holland
Albert, Whitehead P.C.
10 North Dearborn Street
Suite 600
Chicago, Illinois 60602

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RETENTION / RECAPTURE AGREEMENT FOR RENTAL PROJECTS USING LOW INCOME HOUSING TAX CREDITS (LIHTCs)

4386993 15/22

**AFFORDABLE HOUSING PROGRAM
REPAYMENT AGREEMENT**

THIS AFFORDABLE HOUSING PROGRAM REPAYMENT AGREEMENT ("Agreement") is entered into this 1st day of April, 2008, by and among Cole Taylor Bank, an Illinois banking corporation ("Bank"), Saint Luke Housing Ministries, an Illinois not for profit corporation "SLHM" or "Sponsor", and Renaissance Saint Luke SLF, L.P. an Illinois limited partnership ("Owner"). The Bank, Sponsor and Owner are jointly referred to as the "Parties."

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 March 13, 2007 ("the Application"), for an AHP subsidy for the purchase, and construction of a 107 unit building commonly known as Renaissance Saint Luke SLF located at 1501 W. Melrose, Chicago 60657, as further described on Exhibit A attached hereto and incorporated by reference herein (the "Property"). Of the 107 units, 50 units on the Property will be rented to senior Very Low Income Households, 45 units on the Property will be rented to senior Low Income Households; 2 units on the Property will be rented to Low Income Households that are either management staff or seniors; and 10 units on the Property will

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be rented to senior market rate households (the "Project"). Sponsor has formed Owner for the purpose of acquiring, constructing, owning and operating the Project in connection with the requirements of the AHP Subsidy, to be rented to low, very low income, and moderate income persons. The Sponsor is a member of the general partner of Owner. RRG Renaissance Saint Luke SLF LLC, an Illinois limited liability company ("General Partner").

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 recapture of any subsidized advances or other subsidized assistance in connection with unused or improperly used AHP subsidies.

D. In connection with the AHP Subsidy, Bank entered into that certain Affordable Housing Program Subsidy Agreement ("Subsidy Agreement") with an effective date of May 21, 2007 for Project No. 2007A0738 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 AHP Subsidy (defined below).

E. The Parties desire to set forth those circumstances under which the Bank shall be entitled to repayment of subsidy funds from either the Sponsor or Owner in connection with its AHP Subsidy to Sponsor for the purchase, construction or rehabilitation of the Property.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Subsidy Amount. The parties acknowledge and agree that Bank has, on even date herewith, disbursed the proceeds of a grant to Sponsor ("AHP Subsidy") in the amount of \$500,000 which Sponsor has agreed to loan to Owner to be used solely in connection with the purchase, construction or rehabilitation of the Property in accordance with the Application. The term during which the Sponsor and Owner must comply with the AHP Regulations to qualify for and maintain the AHP Subsidy is fifteen (15) years from the date of Project completion (the "Retention Period") at which time this Agreement shall terminate.
2. Affordability Requirements. Sponsor and Owner agree, during the term of this Agreement, to manage and operate the Project 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"), the AHP regulations, or as further provided in federal regulations. The Sponsor and Owner agree to make fifty (50) units affordable for and occupied by Very Low Income Households and forty five (47) units affordable for

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and occupied by Low Income Households during the Retention Period of this Recapture Agreement. (The remaining ten (10) units are market rate units.)

3. Notice of Sale or Refinancing. The Owner and Sponsor shall give at least five (5) days written notice to the Bank and Chicago Bank prior to 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 Project 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 Project 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 Project.
8. Breach of Affordability or Reporting Requirements; Breach by Owner.
 - (a) In the event either Sponsor or Owner, at any time during the Retention Period, 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 AHP Subsidy which may be recaptured from Bank by Chicago Bank.
 - (b) Owner and/or Sponsor shall repay to Bank that portion of the AHP Subsidy, including interest, if appropriate, that, as a result of Owner's or Sponsor's action 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 or Sponsor within a reasonable period of time or the circumstances of noncompliance are eliminated through a modification of the Application pursuant to the AHP Regulations.

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9. Indemnification and Survival. Sponsor and Owner hereby agree to fully and unconditionally indemnify, defend and hold harmless the Bank from and against any judgments, losses, repayment, recapture, liabilities, damages (including consequential damages), costs, expenses of whatsoever kind or nature, including without limitation attorney's fees, expert witness fees, and any other professional fees and litigation expenses or other obligations incurred by the Bank that may arise in any manner out of actions or omissions which result from Owner's or Sponsor's performance or failure to perform pursuant to the terms of this Agreement. The representations, warranties, obligations and indemnification of and by the Owner and Sponsor shall survive the term of this Agreement.
10. Notices. All notices, reports and communications required hereunder shall be in writing and will be deemed to be properly given when personally delivered to the party entitled to receive the notice or three days after same is sent by certified or registered U.S. mail, postage prepaid, or by overnight courier properly addressed to the party entitled to receive such notice at the addresses below; provided that recurring reports, certifications and ordinary communications shall be permitted to be transmitted electronically via facsimile. Any party may at any time give notice in writing to other parties of a change of its address for the purpose of this Section 10.

If to Owner:

Renaissance Saint Luke SLF L.P.
2001 West Churchill Street
Chicago, Illinois 60647
Attention: Nancy J. Kapp

With copies to:

Applegate & Thorne-Thomsen, P.C.
322 South Green Street
Suite 400
Chicago, Illinois 60607
Attention: Mark Burns

If to Sponsor:

Saint Luke Housing Ministries, NFP
1500 West Belmont Avenue
Chicago, Illinois 60657
Attention: _____

If to Bank:

Cole Taylor Bank
4801 West Golf Road
Skokie, Illinois 60077
Attention: Karen Thomas

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With a copy to: Albert, Whitehead P.C.
10 North Dearborn
Suite 600
Chicago, Illinois 60620
Attention: Patricia Holland

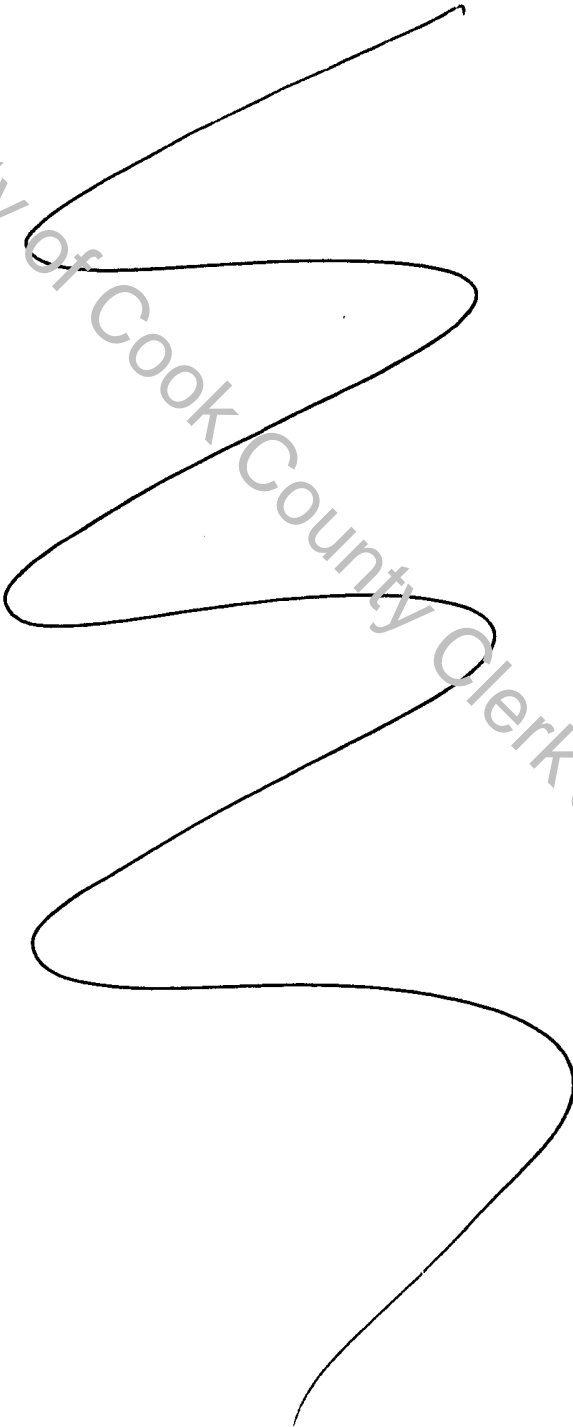
If to Chicago Bank: Federal Home Loan Bank of Chicago
111 East Wacker Drive, Suite 800
Chicago, Illinois 60601
Attention: Community Investment
Department

11. Certifications. Sponsor and Owner hereby certify to Bank as follows:
- (a) All the units in this Project will be open to income-qualified individuals without regard to sex, race, creed, religion, sexual orientation, or type or degree of disability.
- (b) The AHP Subsidy shall only be for uses authorized under Part 951 of the AHP Regulations.
12. Joint and Several. The obligations of the Owner and Sponsor hereunder are joint and several.
13. Successors and Assigns. The rights and obligations of the parties to this Agreement shall inure to the benefit of, and shall be binding upon, their respective successors and assigns.
14. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
15. Execution of Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
16. Modification, Waiver and Termination. This Agreement and each provision hereof may be modified, amended, changed, altered, waived, terminated or discharged only by a written instrument signed by the party sought to be bound by such modification, amendment, change, alteration, waiver, termination or discharge.
17. Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of Illinois.

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SIGNATURE PAGE FOLLOWS

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IN WITNESS WHEREOF, the parties have executed this Affordable Housing Program Recapture Agreement as of the date first written above.

BANK:

Cole Taylor Bank, an Illinois banking corporation

By: *Karen Thomas*

Printed Name: Karen Thomas

Title: *SLP Community Developer*

SPONSOR:

Saint Luke Housing Ministries,
an Illinois not for profit corporation

By: _____

Printed Name: David G. Abrahamson

Title: President

OWNER:

Renaissance Saint Luke SLF L.P.,
an Illinois limited partnership

By: RRG Renaissance Saint Luke SLF LLC
its General Partner

By: RRG Development, Inc.,
an Illinois corporation, its manager

By: _____

Printed Name: Nancy J. Kapp

Title: President

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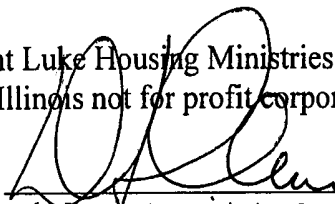
IN WITNESS WHEREOF, the parties have executed this Affordable Housing Program Recapture Agreement as of the date first written above.

BANK: Cole Taylor Bank, an Illinois banking corporation

By: _____
Printed Name: Karen Thomas
Title: _____

SPONSOR:

Saint Luke Housing Ministries,
an Illinois not for profit corporation

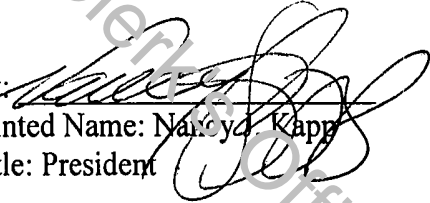
By: 
Printed Name: David G. Abrahamson
Title: President

OWNER:

Renaissance Saint Luke SLF, L.P.,
an Illinois limited partnership

By: RRG Renaissance Saint Luke SLF, LLC
its General Partner

By: RRG Development, Inc.,
an Illinois corporation, its manager

By: 
Printed Name: Nancy Kapp
Title: President

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Betty J Turkhan a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT Karen Thomas, personally known to me and known by me to be the SVP of Cole Taylor Bank ("Bank") and the same person in whose name the above and foregoing instrument is executed, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her free and voluntary act, and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 19 day of March, 2008.

Betty J Turkhan
Notary Public



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT Nancy J. Kapp personally known to me and known by me to be the president of RRG Development, Inc., manager of RRG Renaissance Saint Luke SLF, LLC, General Partner of Renaissance Saint Luke SLF L.P., and the same person in whose name the above and foregoing instrument is executed, appeared before me this day in person and acknowledged that as such President she signed and delivered the said instrument on behalf of such Manager and General Partner as her free and voluntary act, and as the free and voluntary act of said company for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this _____ day of March 2008.

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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, _____, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT Karen Thomas, personally known to me and known by me to be the _____ of Cole Taylor Bank ("Bank") and the same person in whose name the above and foregoing instrument is executed, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her free and voluntary act, and as the free and voluntary act of said Bank for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this ____ day of March ____, 2008.

Notary Public

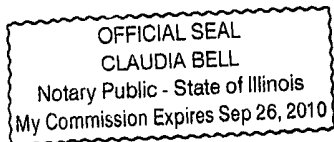
My Commission Expires:

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Claudia Bell, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT Nancy J. Kapp personally known to me and known by me to be the president of RRG Development, Inc., manager of RRG Renaissance Saint Luke SLF, LLC, General Partner of Renaissance Saint Luke SLF L.P., and the same person in whose name the above and foregoing instrument is executed, appeared before me this day in person and acknowledged that as such President she signed and delivered the said instrument on behalf of such Manager and General Partner as her free and voluntary act, and as the free and voluntary act of said company for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 1st day of April 2008.

Claudia Bell



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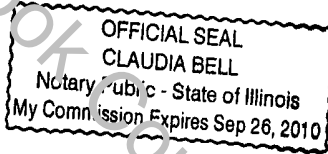
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Claudia Bell, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT David G. Abrahamson, personally known to me and known by me to be the President of Saint Luke Housing Ministries and the same person in whose name the above and foregoing instrument is executed, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act, and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 1st day of April, 2008.

Claudia Bell
Notary Public

My Commission Expires:



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EXHIBIT A

THAT PART OF LOTS 50 TO 62, AND OF CERTAIN VACATED EAST-WEST AND NORTH-SOUTH ALLEYS, IN KEMNITZ AND WOLFF'S SUBDIVISION OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 56 IN KEMNITZ AND WOLFF'S SUBDIVISION AFORESAID; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE NORTH LINE OF SAID LOTS 56 TO 62, BEING ALSO THE SOUTH LINE OF WEST MELROSE STREET, A DISTANCE OF 163.00 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, A DISTANCE OF 127.33 FEET; THENCE SOUTH 44 DEGREES 56 MINUTES 24 SECONDS EAST, A DISTANCE OF 19.69 FEET (MEASURED AS SOUTH 45 DEGREES 05 MINUTES 38 SECONDS EAST, 19.73 FEET) TO THE SOUTH LINE OF THE VACATED ALLEY LYING SOUTH OF AND ADJOINING THE SOUTH LINE OF SAID LOTS 50 TO 62; THENCE SOUTH 89 DEGREES 59 MINUTES 37 SECONDS EAST (MEASURED AS SOUTH 89 DEGREES 59 MINUTES 36 SECONDS EAST) ALONG THE SOUTH LINE OF SAID VACATED ALLEY, A DISTANCE OF 195.22 FEET; THENCE NORTH 00 DEGREES 04 MINUTES 40 SECONDS WEST, A DISTANCE OF 63.14 FEET; THENCE NORTH 89 DEGREES 55 MINUTES 20 SECONDS EAST, A DISTANCE OF 104.00 FEET TO THE EAST LINE OF SAID LOT 50; THENCE NORTH 00 DEGREES 04 MINUTES 40 SECONDS WEST ALONG THE EAST LINE OF SAID LOT 50, BEING ALSO THE WEST LINE OF NORTH GREENVIEW AVENUE, A DISTANCE OF 78.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 50; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG THE NORTH LINE OF SAID LOTS 50 TO 55, BEING ALSO THE SOUTH LINE OF WEST MELROSE STREET, A DISTANCE OF 150.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PINS:

14-20-328-013-0000
14-20-328-014-0000
14-20-328-015-0000
14-20-328-015-0000
14-20-328-017-0000
14-20-328-018-0000
14-20-328-027-0000, affects vacated alley and other property
14-20-328-044-0000, affects vacated alley and other property
14-20-328-045-0000

Common Address: 1501 W. Melrose Street, Chicago, IL

CHICAGO-#80424-v3

Final