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08105958

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1998-12-07 14:08:50  
Cook County Recorder 29.00



This instrument was prepared by:  
Mark W. Burns  
Applegate & Thorne-Thomsen, P.C.  
322 South Green Street  
Suite 412  
Chicago, Illinois 60607

When recorded, return to:  
U.S. Department of Housing  
and Urban Development  
77 W. Jackson Boulevard, 26th Floor  
Chicago, Illinois 60604

**USE AGREEMENT**

**MORTGAGOR:** Margaret Ford Manor, Ltd., an Illinois not-for-profit corporation

**MORTGAGEE:** United States of America acting by and through the Secretary of Housing and Urban Development

**PROJECT NAME:** Margaret Ford Manor, Chicago, Illinois

**PROJECT NO.:** 071-EE114/IL06-S961-005

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209094

Box 430

Capital Advance Program Use Agreement

U.S. Department of Housing and Urban Development Office of Housing Federal Housing Commissioner

For Section 202 of the Housing Act of 1959 or Section 811 of the National Affordable Housing Act

OMB Approval No. 2502-0470 (exp. 12/31/93)

Public Reporting Burden for this collection of information is estimated to average 1.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600 and to the Office of Management and Budget, Paperwork Reduction Project (2502-0470), Washington, D.C. 20503. Do not send this completed form to either of these addresses.

This Agreement made the 1st day of December, 1998, by and between the United States of America, Secretary of Housing and Urban Development (hereinafter called "HUD") and Margaret Ford Manor, Ltd., a private nonprofit corporation, organized and existing under and by virtue of the laws of the State of Illinois (hereinafter called the "Owner"), provides as follows:

Whereas, the Owner and HUD have entered into a Capital Advance Agreement to assist in financing a rental housing project to house elderly persons or persons with disabilities, (hereinafter called "persons"), in accordance with Section 202 of the Housing Act of 1959 or Section 811 of the National Affordable Housing Act, and the applicable regulations;

Whereas, HUD through the Capital Advance Agreement has provided funding for the Project identified as Margaret Ford Manor project number \*071-EE114/IL06-S961-0C dated December 1, 1998, financed with a Note and Mortgage (Deed of Trust), and covering real property as described in Exhibit "A" attached hereto, which Mortgage was recorded in the Recorder's Office of Cook County on December 7, 1998 as Instrument 08105956, Book, Page;

Whereas, The Project is subject to a Regulatory Agreement, dated December 1, 1998 and recorded on December 7, 1998 in the Recorder's Office of Cook County as document number 08105957, Book, Page;

Whereas, pursuant to section 202 of the Housing Act of 1959 (elderly projects) or section 811 of the National Affordable Housing Act (disabled projects) and the corresponding regulations, in exchange for HUD's agreement to provide capital advance financing and project rental assistance payments, the Owner has agreed to continue to operate the Project only as rental housing for very-low income elderly or disabled persons for not less than 40 years from January 1, 2000, unless otherwise approved by HUD;

Now Therefore, in consideration of the mutual promises set forth herein and of other valuable consideration, the parties hereby agree as follows:

- 1. Definitions. All terms used in this Agreement have the same meaning as set forth in the definitions in 24 CFR Part 889 or 890.
2. Term. This Agreement shall remain in effect for not less than 40 years from January 1, 2000, unless otherwise approved by HUD.
3. Use Restriction. The Project shall be used solely as rental housing for very-low income elderly or disabled persons.
4. Transfer. HUD has been granted and is possessed of an interest in the above described Project such that the Owner shall remain seized of the title to said property and refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof without the release of said covenants by HUD. The Owner has constituted HUD as its attorney-in-fact to transfer the project to another private nonprofit corporation in the event of default under the Capital Advance Agreement or the Regulatory Agreement. The Owner may transfer the Project during the term of this Agreement only with the prior written approval of HUD, and any such grantee shall assume the obligations under this Agreement as a condition of any transfer. In any event, this Agreement shall be binding upon the Owner's successors and assigns.
5. Release. The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the Owner of any real or personal property which is determined to be excess to the needs of the Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public rights-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying an interest therein, or (4) upon any instrument of release made by the Owner of the Project shall be effective to release such property from the restrictive

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covenants hereby created.

6. **Enforcement.** In the event of a breach or threatened breach of any of the provisions of this Agreement, any eligible tenant or applicant for occupancy, or the Secretary or his or her successors or delegates, may institute proper legal action to enforce perfor-

mance of such provisions, to enjoin any acts in violation of such provisions, to recover whatever damages can be proven, and/or obtain whatever other relief may be appropriate.

7. **Severability.** The invalidity, in whole or in part, of any of the provisions set forth above shall not affect or invalidate the remaining provisions.

In Witness Whereof, HUD and the Owner by its officers thereunto duly authorized has caused these presents to be signed in its name and corporate seal to be hereunto affixed and attested this 1st day of December, 1998.

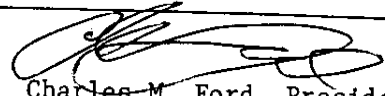
(Seal)

Attest:

Name of Owner: MARGARET FORD MANOR, LTD.,  
an Illinois not-for-profit corporation

Secretary:

By: (President)



Charles M. Ford, President

United States of America Secretary of Housing and Urban Development

By:

Title:

Authorized Agent

*Eunil Hwang* 7/17

08105958

Property of Cook County Clerk's Office

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State of Illinois

County of Cook

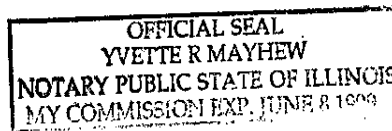
ss:

08105958

Before me, Yvette R Mayhew, a Notary Public in and for said State, on this 4th day of December, 19 98, personally appeared Edward Fungberg, who is personally well known to me to be the Dir MF HUD, and the person who executed the foregoing instrument by virtue of the authority vested in him by section 702 of the Housing Act of 1959 or section 811 of the National Affordable Housing Act, and I having first made known to him the contents thereof, he did acknowledge the signing thereof to be a free and voluntary act and done on behalf of the Secretary of Housing and Urban Development for the uses, purposes and considerations therein set forth.

Witness my hand and official seal this 4th day of December, 1998. (Seal)

Yvette R Mayhew (Notary Public) My commission expires 19



State or

County of

ss:

On this day of 19, before me residing therein, duly commissioned and sworn, personally appeared, a Notary Public in and for said county and State, proved to me on the basis of satisfactory evidence to be the Secretary of, that executed the within instrument and acknowledged to me that such executed the same

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written. (Seal)

(Notary Public) My commission expires 19

State of Illinois

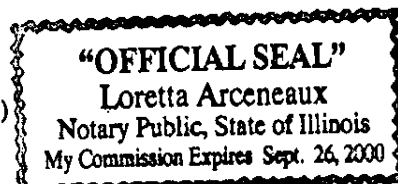
County of Cook

ss:

On this 7th day of December, 19 98, before me residing therein, duly commissioned and sworn, personally appeared Rev. Charles M. Ford, a Notary Public in and for said county and State, proved to me on the basis of satisfactory evidence to be the President of Margaret Ford Manor, Ltd., that executed the within instrument and acknowledged to me that such President executed the same

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written. (Seal)

Loretta Arceneaux (Notary Public) My commission expires 09-26-2000



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Margaret Ford Manor, Ltd.  
HUD Project No. 071-EE114/IL06-S961-005

## EXHIBIT A

08105958

### Legal Description

LOTS 5 THROUGH 10, BOTH INCLUSIVE, IN B.F. SMITH'S ADDITION TO HYDE PARK IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 3, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN 20-03-312-024	Vol. 252 affects Lot 10
PIN 20-03-312-025	Vol. 252 affects Lot 9
PIN 20-03-312-026	Vol. 252 affects Lot 8
PIN 20-03-312-027	Vol. 252 affects Lot 7
PIN 20-03-312-028	Vol. 252 affects Lot 6
PIN 20-03-312-029	Vol. 252 affects Lot 5

Street Address: 4500-12 South Wabash, Chicago, Illinois

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Cook County Clerk's Office