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Eugene "Gene" Moore

Cook County Recorder of Deeds

Date: 04/25/2008 01:21 PM Pg: 1 of 21

After recording return to:

Donna Spicuzza Housing Planner City of Evanston 2100 Ridge Avenue Evanston, IL £3201

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### DECLARATION OF COVENANTS REGARDING TRANSFER

THIS DECLARATION OF COVENANTS REGARDING TRANSFER (this "Declaration") dated as of 17 1008, is made by Reba Place Development Corporation ("RPDC"), the address of which is 737 Reba Place, Evanston, Illinois 60202, in favor of the City of Evanston, Illinois, the address of which is 2100 Ridge Avenue, Evanston, Illinois 60201, Attention: Planning Division (the "City").

### **RECITALS**

WHEREAS, the City has determined that there exists a shorage of decent, safe and affordable housing within the City available for purchase by Eligible Engers (defined below), and that the creation and maintenance of such affordable housing is essent at to the well-being, stability and economic health of the City; and

WHEREAS, to assist in the creation and maintenance of affordable housing as described above, the City has made a loan to RPDC in the amount of \$680,000 under the HOMF Investment Partnership Program and the regulations issued thereunder and Title II, the Cranston-Gonzalez National Affordable Housing Act, Public Law No. 101-625 104 Stat. 4079 (1990), 24 C.F.R. Part 92 ("the HOME Program") subject to the conditions and covenants set forth herein, for the rehab of eleven Condominium units commonly known as units A2, A3, B1, B2, B3, C1, C2, C3, D1, D2 and D3 located at 602 Mulford, Evanston, Illinois, which property is more particularly described on Exhibit A attached hereto (each a "Condominium unit"; and collectively, the "Property"); and

WHEREAS, as a condition to receipt of the loan funds, RPDC has agreed to sell each of the Condominium units, once rehabilitated, at an effective purchase price of no more than \$80,000 (for Units C1 and C2), \$100,000 (for Units A3, B1 and B2), \$110,000 (for Unit C3),

Box 400-CTCC

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0811635184 Page: 2 of 21

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\$120,000 (for Units A2, D2 and D3), \$130,000 (for Units D1) and \$140,000 (for Unit B3) based on a HOME subsidy and such other subsidy as RPDC may provide to such Condominium units, to an Eligible Buyer, (defined below), who will use the Condominium unit as their principal residence; and

WHEREAS, the City further requires that any purchaser of a Condominium unit (each as referred to herein as a "Buyer") must be an Eligible Buyer, and each seller of a Condominium unit (each is referred to herein as a "Seller") must only sell the Condominium unit to another Eligible Buyer throughout the Affordability Period (defined below), and must sell the Condominium unit for a price not to exceed the Allowable Sale Price (defined below); and

WHERFAS, the Owner under this Declaration intends, declares and covenants that the restrictive coverants set forth herein shall be and are covenants running with the Property for the term described herein, are binding upon any Buyer, Seller and all subsequent owners of the Property, or any part thereof, for such term, and are not merely personal covenants of the Owner;

NOW, THEREFORE, in consideration of the promises and covenants hereinafter set forth and of other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, RPDC declares as follows:

- 1. The foregoing Recitals are rereby incorporated into and are a part of the body of this Declaration.
- 2. Each Buyer must certify to the Sel'er and the City that the Buyer will use the Condominium unit as their principal residence during the term of this Declaration.
- 3. Any Seller shall sell each Condominium unit only to an Eligible Buyer and the purchase price may not exceed the Allowable Sale Price.
- (a) As used herein, during the <u>first fifteen (15) years</u> of the Affordability Period, the term "Eligible Buyer" shall mean a Buyer that will be an owner-occupant of the Condominium unit and have an annual household income less than or equal to eighty percent (80%) of the Chicago-area Median Income, based on household size, as such annual income and Chicago-area Median Income are determined from time to time by the United States Department of Housing and Urban Development ("HUD"). As used herein, during the <u>last five (5) years</u> of the Affordability Period, the term "Eligible Buyer" shall mean a Buyer that will be an owner-occupant of the Condominium unit (and no income restrictions shall be applicable).
- (b) As used herein, during the <u>first fifteen (15) years</u> of the Affordability Period, the term "Allowable Sale Price" means a price that does not exceed the sum of (i) the purchase price paid by the current Seller, plus (ii) an annual inflation adjuster equal to the greater of three percent (3%) or the annual change in the Area Median Income for the Chicago PMSA published annually by HUD, plus (iii) the capital improvements (excluding maintenance) to the Condominium unit installed or made by the current Seller during the period of time that it owned the Condominium unit and evidenced by receipts, up to an average aggregate amount of one percent (1%) of the initial sale price per year of ownership, unless approved in writing by RPDC.

0811635184 Page: 3 of 21

### **UNOFFICIAL COPY**

The list of allowed capital improvements is attached as Exhibit C. As used herein, during the last five (5) years of the Affordability Period, the term "Allowable Sale Price" means a price equal to (i) the prior year's Allowable Sale Price plus (ii) one fifth (1/5th) of the difference between the appraised market value at the end of year 15 (beginning of year 16) and the Allowable Sale Price in Year 15. Thus during the last five years of the Affordability Period, the Allowable Sale Price is increased in equal increments from year sixteen (16) though year twenty (20) until it reaches the appraised market value of the Condominium unit at the end of the fifteenth (15th) year. For example, if on the date which is fifteen (15) years from the date of recording of this Declaration (the beginning of the 16th year) the Condominium unit's appraised market value is \$336,588 and the Allowable Sale Price in year 15 was \$121,007, then the Allowable Sale Price for that year, year 16, is \$121,007 plus \$43,110 (20% of \$215,551, which is the difference between the market value and the restricted price), or \$164,123. Thereafter the Allowable Sale Price will grow in equal increments for four (4) years until it equals \$429,582, which, in the case of this example, would equate to annual increases in the Allowable Sale Price of \$61,715. Exhibit Battached hereto is incorporated herein and made a part hereof. The owner of the Condominium unit at the end of the fifteenth (15th) year of the term of this Declaration shall obtain, at such owner's cost, an appraisal of the Condominium unit.

- 4. This Declaration shall be in effect from the date of recording of this Declaration with the Recorder of Deeds of Cook County, Illinois until the twentieth (20<sup>th</sup>) anniversary of the recording date, known as the "Affordavinty Period" and, except as waived in writing by RPDC and the City, shall be binding upon any Buyer, Seller and their transferees, heirs, successors or any other person or entity that owns all or any portion of the Property (or any interest therein) during the term.
- 5. If a Seller proposes to transfer the Condominium unit or any interest therein to a proposed Buyer, the Seller shall give written notice to RPDC and the City at their respective addresses set forth above. The City will calculate the proposed Allowable Sale Price with the Seller and provide information on current income eligibility requirements for the Buyer. In addition, the City may assist the Seller in finding a suitable Eligible Suyer. If the Seller is unable to find an Eligible Buyer to purchase the applicable Condominium unit for the Allowable Sale Price and close on a sale within 90 days from putting the Condominium unit up for sale, the Buyer may appeal to the Director of Community Development of the City of Evanston to consider a change in the resale requirements contained herein. The Director shall respond within 30 days.
- 6. Upon execution of a purchase contract, the Seller shall give thirty (30) days prior written notice of such proposed transfer to RPDC and the City, along with the proposed Buyer's certification to keep the Condominium unit as their principal residence, and documentation required by the City regarding (i) whether the proposed purchase price fulfills the requirements of being an Allowable Sale Price hereunder, and (ii) whether the proposed Buyer fulfills the requirements of being an Eligible Buyer hereunder. The City shall determine, in its sole discretion, whether the proposed transfer would be in compliance with the terms of this Declaration and, if not, the purchase contract between the Seller and the proposed Buyer would be void; each purchase contract executed by a Seller and proposed Buyer for the Condominium unit shall refer to the terms of this Declaration.

0811635184 Page: 4 of 21

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- 7. In the event that (i) the Seller attempts to sell the Condominium unit to a Buyer that is not an Eligible Buyer or for a price that is greater than the Allowable Sale Price, or (ii) either the Seller or Buyer violates any other term of this Declaration, then RPDC shall have a right of first refusal to purchase the Condominium unit for a price equal to the Allowable Sale Price.
- 8. RPDC shall cause this Declaration to be recorded with the Recorder of Deeds of Cook County, Illinois. RPDC shall pay all fees and charges incurred in connection with any such recording. Upon recording, RPDC shall immediately transmit to the City an executed original of this Declaration showing the date and recording number of record.
- 9. This Declaration and the covenants set forth herein regulating and restricting the use, occupancy and transfer of the Property (i) shall be and are covenants running with the Property, encumbering the Property for the term of this Declaration, and binding upon RPDC's successors in title and all subsequent owners of the Property, (ii) are not merely personal covenants of RPDC, and (iii) shall bind RPDC, and any Buyer or Seller, and their respective successors and assigns, as applicable, during the term of this Declaration.
- 10. Any and all requirements of the laws of the State of Illinois to be satisfied in order for the provisions of this Declaration to constitute restrictions and covenants running with the land shall be deemed to be satisfied in full, and that any requirements or privileges of estate are intended to be satisfied, or in the alternate, that are equitable servitude has been created to insure that these restrictions run with the land. For the term of this Declaration, each and every contract, deed or other instrument hereafter executed conveying the Property or portion thereof shall expressly provide that such conveyance is subject to this Declaration, provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Prope ty or portion thereof provides that such conveyance is subject to this Declaration.
- 11. No Buyer may refinance any existing or future mortgage loan secured by the Condominium unit without the prior written consent of the City. However, no Buyer or Seller may borrow funds pursuant to any loan that contains any provisions for negative amortization. In order to ensure awareness of the resale restrictions on the part of any subsequency anders, the Buyer will grant a junior mortgage to the City of Evanston for the amount of the subsidy. Upon Buyer's request, the City shall subordinate the City Deed of Trust or Mortgage to a deed of trust or mortgage made by or held by an institutional lender or investor which is given in connection with any refinancing of any such loan that does not exceed the Allowable Sale Price described in Section 3.
- 12. In the event of default and foreclosure, the City and RPDC shall have the same right as the owner of the Condominium unit to cure defaults and redeem the Condominium unit prior to the foreclosure sale. Nothing herein shall be construed as creating any obligation of the City or RPDC to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

0811635184 Page: 5 of 21

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If the City or RPDC failed to file the request for notice of default, the City's and RPDC's right to purchase the Condominium unit shall commence from the date the notice of default is given by the City to the owner of the Condominium unit.

- 13. Upon violation of the requirements of this Declaration by the owner of the Condominium unit, the City shall give written notice thereof to such owner. If such violation is not corrected to the satisfaction of City within 30 days after the date such notice is mailed, or within such further time as the City in its sole discretion permits, the City may declare the owner to be in default under this Declaration, effective on the date of such declaration of default and notice thereof to the owner, and upon such default the City may pursue all available remedies at law, or in equity, or by statute.
- 14. The invalidity of any clause, part or provision of this Declaration shall not affect the validity of the emaining portions thereof. In the event that a court of competent jurisdiction finds that the length of the term of this Declaration would result in this Declaration being unenforceable under applicable law, then (i) this Declaration shall be deemed to have been amended to include a term which would be enforceable by such court and (ii) for the period beginning at the end of such amended term and continuing until the end of the 15th year of the term of this Declaration, the current owner of the Condominium unit may sell the Condominium unit without restriction, but if such sale does not comply with the provisions of this Declaration (including, without limitation, Section 3), then the current owner must re-pay the City its subsidy of \$60,000, such payment to be made by the owner upon demand by the City.
- 15. The rights and remedies of the City provided for in this Declaration are cumulative and are not intended to be exclusive of any other remedies to which the City may be entitled to at law or in equity or by statute. The exercise by the City of any right or remedy to which it is entitled hereunder shall not preclude or restrict the exercise of any other right or remedy provided hereunder.
- Declaration by appropriate court proceedings and to obtain injunctive and other equitable relief against any violations, including, without limitation, relief requiring restortaion of the Condominium unit (or any portion thereof) to its condition prior to any such violation and shall be in addition to, and not in limitation of, any other rights and remedies available to the City. The current owner of the Condominium unit covenants and agrees to reimburse the City all reasonable costs and expenses (including with limitation counsel fees) incurred in enforcing this Declaration or in taking reasonable measures to cure any violation hereof, provided that a violation of this Declaration is acknowledged by the current owner or determined by a court of competent jurisdiction to have occurred. By its acceptance of this Declaration the City does not undertake any liability or obligation relating to the condition of the Condominium unit.
- 17. This Declaration may not be amended, nor may any obligation hereunder be waived or released, without first obtaining the written consent of RPDC and the City, which consent shall not be unreasonably withheld or delayed.

0811635184 Page: 6 of 21

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18. The provisions of this Declaration shall cease to be in effect in the event that title to the Condominium unit is transferred by foreclosure (or an instrument in lieu of foreclosure) of any mortgage which is recorded against the Condominium unit (a) on or prior to the date hereof, (b) with the consent of the City, or (c) in accordance with Section 11 hereof. However, if any time during the Affordability Period and following the occurrence of a cessation of enforceability of the provisions of this Declaration as provided in the preceding sentence, the owner (or any person or entity with whom the owner has or had family or business ties) obtains an ownership interest in the Condominium unit, the provisions of this Declaration shall again be enforceable as of the date such ownership interest is obtained through the remainder of the Affordability Period.

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0811635184 Page: 7 of 21

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IN WITNESS WHEREOF, RPDC has caused this Declaration to be signed as of the day and year first above written.

	REBA PLACE DEVELOPMENT CORPORATION
	By: Many Coering Its: Dinector
STATE OF ILLINOIS	)
COUNTY OF COOK	) SS.
said County in the State  Mary Goering  the same person in whose name the  me this day in person and acknowle	and for an
his/her free and voluntary act, and a and purposes therein set forth.	as the free and voluntary act of said corporation for the uses
OFFICIAL SEAL  DARECIA A. ARIF  NOTARY PUBLIC, STATE OF ILLINOIS  MY COMMISSION EXPIRES 7-28-2009	nd and Notarial Seal this Licay of April, 2008.  Notary Public
My Commission Expires:	

0811635184 Page: 8 of 21

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### EXHIBIT A LEGAL DESCRIPTION

THAT PART OF THE SOUTH ½ OF THE NORTHEAST ¼ OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF MULFORD AVENUE WITH THE WEST LINE OF RIGHT OF WAY LINE OF CHICAGO AND NORTHWESTERN RAILROAD (FORMERLY CHICAGO AND MILWAUKEE RAILROAD); THENCE WEST ON THE SOUTH LINE OF SAID AVENUE 100 FT.; THENCE SOUTH 150 FT.; THENCE EAST PARALLEL WITH THE SOUTH LINE OF SAID AVENUE TO THE WEST LINE OF SAID TAILROAD RIGHT OF WAY; THENCE NORTHERLY ALONG THE WEST LINE OF SAID RAILROAD TO THE POINT OF BEGINNING (EXCEPT FROM PREMISES THE WEST 33 FT THEREOF), IN COOK COUNTY, TILL INOIS.

P.I.N.

11-30-207-021-0000

Commonly known as: 602 Mulfor J. Units A2, A3, B1, B2, B3, C1, C2, C3, D1, D2, and D3.

0811635184 Page: 9 of 21

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### **EXHIBIT B** 20 Year Affordability Restrictions For 602 Mulford

**Assuptions and Comments:** 

--A City of Evanston HOME Fund affordability loan comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater.

--For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owneroccupant.

-- The maximum Allowable Sale Price begins in 2008 with the initial sale price..

--For the first 15 years Column B will need to be determined each year according to the change in Area Median Income as published a invally by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes only. Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. (For example, in one seventh year, if no other capital improvements have been claimed, up to \$7,000 of capital improvements could be added to the maximum Allowable Sale Price.)

--At the end of year 15, the Condominium unit will be appraised at the owner's cost and the maximum Allowable Sale Price will increase in equal increases from the beginning of year 16 through year 20 until it reaches such appraised market value.

-- After 20 years, the unit can be sold at narket rate with no restrictions.

for the College of th Separate resale examples are provided for the 11 resale restricted units.

0811635184 Page: 10 of 21

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Exhibit E

12/6/2007

#### **RPDC: Mulford Commons** 602 Mulford, Unit A2, with Subsidized Sale Price of \$120,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07
Assumptions and Comments:

- --A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- --The Base Resale Price begins with an initial price of \$120,000 plus the subsidies that are passed on to subsequent buyer(s).
- -For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$6,000 (i.e. \$120,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- -At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value, vinch percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illustrative purposes, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$374,207, the dase Resale Price would be \$237,956, and the property's equity is 63.59% of market value. From years 16 through 20 the Allowable Sale Price will nore ase to 100% of that appraisal, by equal percentage increments.
- -- After 20 years, the unit can be sord at market rate with no restrictions.
- --The Federal Home Loan Bank (F.d. B) subsidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.
- --In the first 15 years the Illinois Housing Devilopment Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 yr ars the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

HOME Prg   3% Annual   Base Ann   FHLB   Resale   Froperty   Eq'.vy   Mortgage to Next Buyer	A		В	С		D		- 5		F		G		Н	11		
Year   3% Annual   Base Ann   Good   FHLB   If Sold   Price   Price   Price   Subsidy to   Next Buyer   Subsidy to   Next Buyer   Subsidies   Mkt Value   Va		нс					7	roperty	H	OME Prg.		IHDA	Sa			F	
Base Ann	Year						-		Mo	ortgage to	Su	bsidy to					
\$\frac{120,000}{2009} \begin{array}{c c c c c c c c c c c c c c c c c c c	ı caı							1 1	N	ext Buyer	<u>N</u> e	xt Buyer	S	ubsidies			
\$\begin{array}{c c c c c c c c c c c c c c c c c c c	2008				\$		\$	120,005	\$	26,500	\$	16,000	\$			-	
2010   \$ 127,308   \$ 5,100   \$ 135,808   \$ 130,708   6 26,500   \$ 16,000   \$ 178,308   89,85%   \$ 198,430		<del></del>		-			\$	125,30	5	26,500	\$	16,000	\$				
2011   \$   131,127   \$   3,400   \$   139,627   \$   136,227   \$   136,027   \$   16,000   \$   182,127   87,40%   \$   208,373		_					\$	130,708	\$	26,500	\$	16,000				<u> </u>	
2012   \$ 135,061   \$ 1,700   \$ 143,561   \$ 141,861   \$ 26,500   \$ 16,000   \$ 186,061   85,04%   \$ 218,791		-			_		\$	136,227	\$			16,000	_			<u> </u>	
2013   \$   139,113   Total FHLB   \$   147,613   \$   147,613   \$   26,5 0   \$   16,000   \$   190,113   82,75%   \$   229,731		<del></del>				143,561	\$	141,861	\$	26,500	\$	16,000	\$			_	
2014   \$ 143,286   Subsidy   \$ 151,786   \$ 151,786   \$ 26,500   \$ 16,000   \$ 194,286   80.54%   \$ 241,217		_				147,613	\$	147,613	\$	26,50	\$					-	
2015         \$ 147,585         Becomes         \$ 156,085         \$ 156,085         \$ 26,500         \$ 16,000         \$ 198,585         78.41%         \$ 253,276           2016         \$ 152,012         Owner's         \$ 160,512         \$ 160,512         \$ 26,500         \$ 6,000         \$ 203,012         76.34%         \$ 265,942           2017         \$ 156,573         Equity         \$ 165,073         \$ 165,073         \$ 26,500         \$ 10,000         \$ 207,573         74.34%         \$ 279,239           2018         \$ 161,270         \$ 169,770         \$ 169,770         \$ 26,500         \$ 16,000         \$ 212,270         72.40%         \$ 293,201           2019         \$ 166,108         \$ 174,608         \$ 174,608         \$ 26,500         \$ 16,000         \$ 217,108         70.52%         \$ 307,861           2020         \$ 171,091         \$ 179,591         \$ 179,591         \$ 26,500         \$ 16,000         \$ 227,224         66.95%         \$ 333,417           2021         \$ 176,224         \$ 184,724         \$ 184,724         \$ 26,500         \$ 16,000         \$ 227,224         66.95%         \$ 339,417           2022         \$ 181,511         \$ 190,011         \$ 190,011         \$ 26,500         \$ 16,000         \$ 27,056         66.95					\$	151,786	\$	151,786	\$	26,5.00	\$	16,000	\$				
2016 \$ 152,012 Owners \$ 160,512 \$ 160,512 \$ 26,500 \$ 16,000 \$ 203,012 76,34% \$ 265,942   2017 \$ 156,573 Equity \$ 165,073 \$ 165,073 \$ 26,500 \$ 17,000 \$ 207,573 74,34% \$ 279,239   2018 \$ 161,270 \$ 169,770 \$ 169,770 \$ 26,500 \$ 10,000 \$ 212,270 72,40% \$ 293,201   2019 \$ 166,08 \$ 174,608 \$ 174,608 \$ 26,500 \$ 16,000 \$ 217,108 70,52% \$ 307,861   2020 \$ 171,091 \$ 179,591 \$ 179,591 \$ 26,500 \$ 16,000 \$ 217,108 70,52% \$ 307,861   2021 \$ 176,224 \$ 184,724 \$ 184,724 \$ 26,500 \$ 16,000 \$ 227,224 66,95% \$ 339,417   2022 \$ 181,511 \$ 190,011 \$ 190,011 \$ 26,500 \$ 16,000 \$ 27,224 66,95% \$ 339,417   2023 \$ 186,956 \$ 195,456 \$ 195,456 \$ 26,500 \$ 16,000 \$ 27,556 63,59% \$ 374,207   2024 2025 2026 \$ 249,206 \$ 249,206 \$ 8comes					\$	156,085	\$	156,085	\$	26,500	٤					÷	
2017         \$ 156,573         Equity         \$ 165,073         \$ 165,073         \$ 26,500         \$ 12,000         \$ 207,573         74,34%         \$ 29,239           2018         \$ 161,270         \$ 169,770         \$ 169,770         \$ 26,500         \$ 16,000         \$ 212,270         72,40%         \$ 293,201           2019         \$ 166,08         \$ 174,608         \$ 174,608         \$ 26,500         \$ 16,000         \$ 217,108         70,52%         \$ 307,861           2020         \$ 171,091         \$ 179,591         \$ 179,591         \$ 26,500         \$ 16,000         \$ 222,091         68,70%         \$ 323,254           2021         \$ 176,224         \$ 184,724         \$ 184,724         \$ 26,500         \$ 16,000         \$ 227,224         66,95%         \$ 339,417           2022         \$ 181,511         \$ 190,011         \$ 190,011         \$ 26,500         \$ 16,000         \$ 23,251         65,24%         \$ 356,388           2023         \$ 186,956         \$ 195,456         \$ 195,456         \$ 26,500         \$ 16,000         \$ 27,256         63,59%         \$ 374,207           2024         \$ 2024         \$ 249,206         \$ 26,500         \$ 16,000         \$ 23,251         65,24%         \$ 392,917           2025					\$	160,512	\$	160,512	\$	26,500	A					<del>-</del>	
2018   \$ 161,270   \$ 169,770   \$ 26,500   \$ 16,000   \$ 212,270   72,40%   \$ 293,201					\$	165,073	\$	165,073	\$	26,500	\$		_				
2019   \$ 166,108   \$ 174,608   \$ 174,608   \$ 26,500   \$ 16,00   \$ 217,108   70,52%   \$ 307,861					\$		\$	169,770	\$	26,500	\$	16,000	\$_			_	
2020 \$ 171,091 \$ 179,591 \$ 179,591 \$ 26,500 \$ 16,000 \$ 222,091 68.70% \$ 323,254 2021 \$ 176,224 \$ 184,724 \$ 184,724 \$ 26,500 \$ 16,000 \$ 27,224 66,95% \$ 339,417 2022 \$ 181,511 \$ 190,011 \$ 190,011 \$ 26,500 \$ 16,000 \$ 232,511 65,24% \$ 356,388 2023 \$ 186,956 \$ 195,456 \$ 195,456 \$ 26,500 \$ 16,000 \$ 232,511 65,24% \$ 356,388 2024 \$ \$ 249,206 \$ 8ecomes					_		_	174,608	\$	26,500	\$	16,000	\$	217,108		_	
2021 \$ 176,224 \$ 184,724 \$ 184,724 \$ 26,500 \$ 16,000 \$ 227,224 \$ 66,95% \$ 339,417 \$ 2022 \$ 181,511 \$ 190,011 \$ 190,011 \$ 26,500 \$ 16,000 \$ 232,511 \$ 52,24% \$ 356,388 \$ 2023 \$ 186,956 \$ 195,456 \$ 195,456 \$ 26,500 \$ 16,000 \$ 237,056 \$ 63,59% \$ 374,207 \$ 2024 \$ 2025 \$ 276,456 \$ 0wners \$ 276,456 \$ 0wners \$ 276,456 \$ 26,500 \$ 10,000 \$ 207,056 \$ 302,917 \$ 2026 \$ 303,707 \$ Equity \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206 \$ 265,206					<del></del>		\$			26,500	\$	16,000	7,	222,091			
2022 \$ 181,511 \$ 190,011 \$ 190,011 \$ 26,500 \$ 16,000 \$ 23,251 \$ 65,24% \$ 356,388 2023 \$ 186,956 \$ 195,456 \$ 26,500 \$ 16,000 \$ 2,7,256 \$ 63,59% \$ 374,207 2024 \$ 249,206 \$ 8ecomes   Repaid to   HDA in   Case of   S 276,456   S 276,4					_		_		\$	26,500	\$	16,000	\$	227,224		\$	
2023 \$ 186,956 \$ 195,456 \$ 195,456 \$ 26,500 \$ 16,000 \$ 2.7,55f 63.59% \$ 374,207 2024 \$ 249,206 Becomes Repaid to HDA in Case of \$ 25,000 \$ 412,563 2026 \$ 330,707 Equity Case of \$ 319,707 8f 44% \$ 433,191 2027 \$ 358,207 \$ 358,207 \$ 20 Years \$ 374,207 100.00% \$ 477,594							-		\$		\$	16,000	\$	2 32,511	65.24%	\$	
\$ 249,206         Becomes         Repaid to         \$ 265,20F         70.87%         \$ 392,917           2025         \$ 276,456         Owners         IHDA in         \$ 292,456         \$ 15%         \$ 412,563           2026         \$ 303,707         Equity         Case of Sale or at 20 Years         \$ 346,957         \$ 272%         \$ 454,851           2028         \$ 358,207         \$ 358,207         \$ 374,207         100.00%         \$ 477,594									_	26,500	\$	16,000	\$	2J.7,056	63.59%	\$	
\$ 276,456 Owners HDA in \$ 292,456 \$ 315% \$ 412,563 Case of \$ 319,707 8 44% \$ 433,191		+*-	100,000	<del> </del>	<del>                                     </del>	,			-	Becomes	F	Repaid to	\$	265,2∪€		\$	
2026     \$ 303,707     Equity     Case of Sale or at Sale or at 20 Years     \$ 346,957     \$ 454,851       2027     \$ 358,207     \$ 20 Years     \$ 374,207     100.00%     \$ 477,594		┨			İ		_		١				\$	292,456		\$	
\$ 330,957   Sale or at \$ 346,957   92,72%   \$ 454,851   20 Years \$ 374,207   100.00%   \$ 477,594		-					_		1	Equity	1	Case of	\$	319,707	8º 44%	\$	
\$ 358,207 20 Years \$ 374,207 100.00% \$ 477,594		┥		1			_		1	- • • •	9	Sale or at	\$	346,957	92 72%	\$	
		┥							1		]	20 Years	\$	374,207	100.00%	\$	477,594
2029		┿┈		<u> 1</u>					le v	without restr	ctio	ns			0	_	
	2029															-7	
																	_
2029 Resale without restrictions																	

0811635184 Page: 11 of 21

### **UNOFFICIAL COPY**

Exhibit E

12/6/2007

# RPDC: Mulford Commons 602 Mulford, Unit A3, with Subsidized Sale Price of \$100,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07

- --A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years.

  During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the lequity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- --The Base Resale Price begins with an initial price of \$100,000 plus the subsidies that are passed on to subsequent buyer(s).
- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$5,000 (i.e. \$100,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- --At the end of year 15 the Co. dominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value, which percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illustrative purpos is, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$374,207, the Fase Resale Price would be \$226,797, and the property's equity is 60.61% of market value. From years 16 through 20 the Allowable Sale Price will markets to 100% of that appraisal, by equal percentage increments.
- -- After 20 years, the unit can be colder market rate with no restrictions.
- --The Federal Home Loan Bank (FHLB, set sidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.
- --In the first 15 years the Illinois Housing Devr op hent Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 years are subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 to the case of a sale and the cas

^	_	В	С		D	_			F		G		Н		Т	J
Α		OME Prg	Owed to	_	Base	-	roper ly	HOI	//E Prg.		IHDA	Sa	le Price	% of	Р	rojected
	ı	-	-	Ì	Resale	1	Equity		gage to	Su	bsidy to		Plus	Projected		Market
Year		6 Annual	FHLB		Price				t Buyer		xt Buyer	Sı	bsidies	Mkt Value		Value
		ase Ann	if Sold \$ 8,500	\$	108,500	\$	100,07,0	I TOX	40,500	\$	22,000	\$	171,000	95.00%	\$	180,000
2008	\$	100,000		\$	111,500	\$	104,700	<u>-</u>	40,500	\$	22,000	\$	174,000	92.06%	\$	189,000
2009	\$	103,000		\$	114,590	\$	109,490	<del>\$</del> —	40,500	\$	22,000	\$	177,090	89.24%	\$	198,450
2010	\$	106,090		\$	117,773	\$	114,373	\$	40,50)	\$	22,000	\$	180,273	86.51%	\$	208,373
2011	\$	109,273	\$ 3,400 \$ 1,700	\$	121,051	\$	119,351	\$	40.500	_	22,000	\$	183,551	83.89%	\$	218,791
2012	\$	112,551	\$ 1,700 Total FHLB	\$	124,427	\$	124,427	\$	40,500	_	22,000	\$	186,927	81.37%	\$	229,731
2013	\$	115,927	Subsidy	\$	127,905	\$	127,905	\$	40,500	_	22,000	\$	190,405	78.94%	\$	241,217
2014	\$	119,405 122,987	Becomes	\$	131,487	\$	131,487	\$	40,500	ŧ	22,000	\$	193,987	76.59%	\$	253,278
2015	\$		Owner's	\$	135,177	\$	135,177	\$	40,500	\$	22,000	Š	197,677	74.33%	\$	265,942
2016	\$	126,677		\$	138,977	\$	138,977	\$	40,500	\$	27,000	\$	201,477	72.15%	\$	279,239
2017	\$	130,477	Equity	\$	142,892	\$	142,892	\$	40,500	\$	22,0 15		205,392	70.05%	\$	293,201
2018	\$	134,392	<del></del>	\$	146,923	\$	146,923	\$	40,500	\$	22,000	\$	209,423	68.03%	\$	307,861
2019	\$	138,423		\$	151,076	\$	151,076	\$	40,500	\$	22,000	15	213,576	66.07%	\$	323,254
2020	\$	142,576		\$	155,353	\$	155,353	\$	40,500	\$	22,000	\$	21 ( 853	64.18%	\$	339,41
2021	\$	146,853	<del> </del>	\$	159,759	\$	159,759	ŝ	40,500	\$	22,000	Š	222,253	62.36%	\$	356,388
2022	\$	151,259	ļ	\$	164,297	\$	164,297	\$	40,500	\$	22,000	Š	226,79	30.61%	\$	374,207
2023	\$	155,797		13	104,237	\$	234,279		comes	<u> </u>	Repaid to	\$	256,279		\$	392,917
2024	4		1			\$	263,761	4	wners		IHDA in	\$	285,761	76.25%	\$	412,563
2025	-					\$	293,243	4 .	Equity	1	Case of	\$	315,243	<del></del>	\$	433,19
2026	-			1		\$	322,725	┧ `	-quity		Sale or at	\$	344,725		13	454,85
2027	4		1			\$	352,723	1			20 Years	s	374,207	<del></del>	\$	477,594
2028	+		L	Щ.		Τâ		witho	ut restricti			<u> </u>				X
2029							1/62016	WILLIC	at restrict	0110						

0811635184 Page: 12 of 21

# **UNOFFICIAL COPY**

Exhibit E

12/10/2007

### **RPDC: Mulford Commons** 602 Mulford, Unit B1, with Subsidized Sale Price of \$100,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-0
Assumptions and Comments:

--A City of Evanston HOME Fund affordability toan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)

-For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.

--The Base Resale Price begins with an initial price of \$100,000 plus the subsidies that are passed on to subsequent buyer(s). --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$5,000 (i.e. \$100,000 X 1% X 5 years) of capital improvements could be added to the Base

--At the end of year 15 the Cor dominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised monket value, which percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised markst value. For illustrative purposes, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominit m v jit's market value is \$384,602, the Base Resale Price would be \$231,547, and the property's equity is 60.20% of market value. From years 16 through 20 the Allowable Sale Price will increase to 100% of that appraisal, by equal percentage increments.

- After 20 years, the unit can be sold at ma, ke rate with no restrictions.

--The Federal Home Loan Bank (FHLB) subsidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.

--In the first 15 years the Illinois Housing Development Authority (IHDA) subsidy is passed on to subsequent income qualified (under

10/. A AAI) hu	ver	as an ass	umable mort	aac	e. After 1	_ve	rs the su	osid	v is return	ed 1	<u>o IHDA in</u>	cas	e or a sal	e and, in any	Cast	
A AIVIT DO	VEL	В	С		D					_		_				ected
	н	ME Prg	Owed to		Base	P	opertv	H	OME Prg.	١.	IHDA		le Price	% of		arket
Year		Annual	FHLB		Resale		Equl' y	10	rtgage to	Su	bsidy to	١.	Plus	Projected		alue
, 00.		se Ann	if Sold		Price				xt Buyer	Ne	xt Buyer	SI	ubsidies_	Mkt Value 95.00%		85,000
2008	\$	100,000	\$ 8,500	\$	108,500	\$	100,000	\$		\$	22,000		175,750	92.02%		94,250
2009			\$ 6,800	\$	111,500	\$	104,700	P	4t 250	\$	22,000	\$	178,750	89.15%		203,963
2010	\$	106,090		\$	114,590	\$	109,490				22,000	\$	181,840	86.39%	_	214,161
2011	\$	109,273		\$	117,773	\$	114,373		45,7 50			_	185,023	83.74%		224,869
2012	\$	112,551	\$ 1,700	\$	121,051	\$	119,351		45,250	-	22,000	\$	188,301	81.18%		236,112
2013	\$	115,927	Total FHLB	\$	124,427	\$			45,250	\$	21,000	\$		78.72%		247,918
2014	\$	119,405		\$	127,905	\$	127,905						198,737	76.35%		260,314
2015	\$	122,987	Becomes		131,487				45,250	\$	22,0°,0 22,0°,0		202,427	74.06%		273,329
2016	\$	126,677	Owner's	\$	135,177	\$	135,177			13	22,000	12	206,227	71.86%		286,996
2017	\$	130,477	Equity	\$	138,977	\$					22,000	1 (-	210,142			301,346
2018	\$	134,392			142,892		142,892			-		₩	714 173	67.69%	s	316,413
2019	\$	138,423			146,923		146,923			_						332,233
2020	\$	142,576			151,076	\$	151,076			_			222,603		\$	348,845
2021	\$	146,853			155,353	\$	155,353		45,250		22,000	<u> </u>	227,009			366,287
2022	\$	151,259	<u> </u>		159,759		159,759	_		11	22,000		231,547		S	384,602
2023	\$	155,797		13	164,297		164,297	-			Repaid to		262,158		_	403,832
2024	T			l		\$	240,158	_	Becomes	'	IHDA in		292,769			
2025	1		Į			\$	270,769	_	Owners	1			323,380			145,225
2026	1			ì		\$	301,380	_	Equity	-	Case of	_	353,991		T:-	467 486
2027	7			1		\$	331,991	→		-	Sale or at	<u> </u>	384,602		- 1	90,660
2028	1					\$	362,602				20 Years	1.9	304,002	. 100.0070	ΙΨ.	767,444
2029	$\top$						Resa	e w	ithout rest	ricti	ons	_				
																(

0811635184 Page: 13 of 21

# **UNOFFICIAL COPY**

Exhibit E 12/10/2007

# RPDC: Mulford Commons 602 Mulford, Unit B2, with Subsidized Sale Price of \$100,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07

- --A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- --The Base Resale Price begins with an initial price of \$100,000 plus the subsidies that are passed on to subsequent buyer(s).
- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improver onts of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$5,000 (1.2. \$100,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- -At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value, v hich percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illustrative purposes, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$284,602, the Base Resale Price would be \$231,547, and the property's equity is 60.20% of market value. From years 16 through 20 to a lowest sale Price will increase to 100% of that appraisal, by equal percentage increments.
- -- After 20 years, the unit can be sold a me ket rate with no restrictions.
  --The Federal Home Loan Bank (FHLB) Lubsidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.
- --In the first 15 years the Illinois Housing Develoament Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 years the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

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А		В	С		D		É		F		G		Н	1_			J
	н	OME Prg	Owed to		Base	Pr	Obel 1	HO	ME Prg.		IHDA	S	ale Price	% of			ojected
Year		Annual	FHLB		Resale		Equity		gage to	Su	bsidy to		Plus	Project	ed		/larket
rear		ase Ann	if Sold		Price		1				xt Buyer	5	Subsidies	Mkt Val	ue		Value
2008	\$	100,000	\$ 8,500	\$	108,500	S	100,000	\$	45,2: 0	\$	22,000	\$	175,750	95.00%	6	\$	185,000
2009	\$	103,000	\$ 6,800	\$	111,500		104,700	\$	45.250	\$	22,000	\$	178,750	92.02%	6	\$	194,250
2010	\$	106,090	\$ 5,100	\$	114,590		109,490	\$	45, 50	\$	22,000	\$	181,840	89.159	6	\$	203,963
2010	\$	109,273	\$ 3,400	\$	117,773		114,373	\$	45,250	\$	22,000	\$	185,023	86.399	6	\$	214,161
2012	\$	112,551	\$ 1,700	\$	121,051		119,351	\$	45,250	— [∵ə	27,000	\$	188,301	83.749	6	\$	224,869
2012	\$	115,927	Total FHLB	\$	124,427		124,427	s	45,250	ŝ	22 500	\$	191,677	81.18°	6	\$	236,112
2013	\$	119,405	Subsidy	\$	127,905		127,905	Š	45,250	\$	22,000	\$	195,155	78.72°	6	\$	247,918
2015	\$	122,987	Becomes	\$	131,487	_	131,487	\$	45,250	\$	22,000	\$	198,737	76.35°	%	\$	260,314
2015	\$	126,677	Owner's	\$	135,177		135,177	\$	45,250	\$	22,000	T s	102,427	74.06°	%	\$	273,329
	\$	130,477	Equity	\$	138,977	<u> </u>	138,977	\$	45,250	\$	22,000	2	206,227	71.86	%	\$	286,996
2017	\$	134,392	Lquity	\$	142,892		142,892	Š	45,250	Š	22,000	\$	710.142	69.73°	%	\$	301,346
2018	\$	138,423		\$	146,923		146,923	ŝ	45,250	\$	22,000	\$	214 1/3	67.69	%	\$	316,413
2019	\$	142,576		\$	151,076		151,076	\$	45,250	\$	22,000	\$	218,320	ò5.71°	%	\$	332,233
2020	\$	146,853		\$	155,353		155,353	\$	45,250	\$	22,000	\$	222,603	63.81	%	\$	348,845
2021	\$	151,259	<del> </del>	\$	159,759		159,759	\$	45,250	Š	22,000	\$	227,009	31.98	%	\$	366,287
2022	\$	155,797		\$	164,297	<u> </u>	164,297	\$	45,250	S	22,000	\$	231,547	60.1.0		\$	384,602
2023	+*	155,151		۳	104,201	_	240,158	<u> </u>	comes	Ŕ	epaid to	\$	262,158	68. 5	<b>%</b>	63	403,832
2024	-					_	270,769	-4	wners	ı	HDA in	\$	292,769	76.12	%		424,023
2026	┨			1		_	301,380	-	Equity	1	Case of	\$	323,380	84.08	%		445,225
2027	-						331,991	1		S	ale or at	\$	353,991	92.04	%	30	467,486
2027	┨		1	Į		_	362,602	1		2	20 Years	\$	384,602	100.00	)%	\$	421,860
2029	+		<u> </u>			1.*			vithout re								
1 2029	1																

0811635184 Page: 14 of 21

## **UNOFFICIAL COPY**

12/6/2007 Exhibit E

### **RPDC: Mulford Commons** 602 Mulford, Unit B3, with Subsidized Sale Price of \$140,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07

#### **Assumptions and Comments:**

--A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)

--For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.

--The Base Resale Price begins with an initial price of \$140,000 plus the subsidies that are passed on to subsequent buyer(s).

- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of p to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$7,000 (i.e. \$140,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- --At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value, which percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illustrative pu po es, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is 3364,602, the Base Resale Price would be \$253,865, and the property's equity is 66.01% of market value. From years 16 through 20 the allowable Sale Price will increase to 100% of that appraisal, by equal percentage increments.

-- After 20 years, the unit can be sold at market rate with no restrictions.

- --The Federal Home Loan Bank (FHLB) sub idy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.
- --In the first 15 years the Illinois Housing Development A thority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 years the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

			D		F	G	Н	ı	J
Α	В	C	Base	Property	HOME Prg.	IHDA	Sale Price	% of	Projected
	HOME Prg	Owed to	Resale		Mortgage to		Plus	Projected	Market
Year	3% Annual	FHLB		Equity	Next Buyer	Next Buyer	Subsidies	Mkt Value	Value
	Base Ann	if Sold	Price \$ 148,500	\$ 140,000	\$ 1,250	\$ 16,000	\$ 175,750	95.00%	\$ 185,000
2008	\$ 140,000	\$ 8,500		\$ 145,900	\$ 11,250		\$ 179,950	92.64%	\$ 194,250
2009	\$ 144,200	\$ 6,800	\$ 152,700 \$ 157,026	\$ 151,926	\$ 11,250		\$ 184,276	90.35%	\$ 203,963
2010	\$ 148,526	\$ 5,100		\$ 158,082	\$ 11,250		\$ 188,732	88.13%	\$ 214,161
2011	\$ 152,982	\$ 3,400		\$ 164,371	\$ 11,250	a 16,000	\$ 193,321	85.97%	\$ 224,869
2012	\$ 157,571	\$ 1,700	\$ 166,071 \$ 170,798	\$ 170,798	\$ 11,250	\$ 16,000	\$ 198,048	83.88%	\$ 236,112
2013	\$ 162,298	Total FHLB	\$ 175,667	\$ 175,667	\$ 11,250		\$ 202,917	81.85%	\$ 247,918
2014	\$ 167,167	Subsidy	\$ 173,667	\$ 180,682	\$ 11,250	\$ 16,000		79.88%	\$ 260,314
2015	\$ 172,182	Becomes		\$ 185,848	\$ 11,250	\$ 16,000		77.96%	\$ 273,329
2016	\$ 177,348	Owner's	\$ 185,848	\$ 191,168	\$ 11,250	\$ 16,000	\$ 216,418	76.11%	\$ 286,996
2017	\$ 182,668	Equity	\$ 191,168		\$ 11,250	\$ 16,000	\$ 223,098	74.30%	\$ 301,346
2018	\$ 188,148		\$ 196,648	\$ 196,648		\$ 16,000	\$ 229,542	72.55%	\$ 316,413
2019	\$ 193,793		\$ 202,293	\$ 202,293		\$ 16,000	\$ 235,357	70.84%	\$ 332,233
2020	\$ 199,607		\$ 208,107	\$ 208,107	\$ 11,250	<u> </u>	\$ 241,345	1	\$ 348,845
2021	\$ 205,595	<u> </u>	\$ 214,095	\$ 214,095	\$ 11,250		\$ 247,513		\$ 366,287
2022	\$ 211,763		\$ 220,263			\$ 16,000			\$ 384,602
2023	\$ 218,115		\$ 226,615			\$ 16,000			\$ 403,832
2024				\$ 264,013	<b>⊣</b>	Repaid to	\$ 280,013	-	\$ 424,023
2025	7		1	\$ 290,160		IHDA in	\$ 306,160		\$ 445,225
2026	1		1	\$ 316,307	Equity	Case of	\$ 332,307		
2027	1			\$ 342,454	┥	Sale or at	\$ 358,454		
2028	7		İ	\$ 368,602		20 Years	\$ 384,602	100.00%	\$ 490,860
2029				Re	sale without re	estrictions			

0811635184 Page: 15 of 21

### **UNOFFICIAL COPY**

Exhibit E 12/6/2007

### RPDC: Mulford Commons 602 Mulford, Unit C1, with Subsidized Sale Price of \$80,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07

- --A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- --The Base Resale Price begins with an initial price of \$80,000 plus the subsidies that are passed on to subsequent buyer(s).
- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$4,000 (i.e. \$29,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- --At the end of year 15 the Cor tominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value. For illustrative purposes, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$35.3418, the Base Resale Price would be \$206,137, and the property's equity is 58.33% of market value. From years 16 through 20 the Allowable Sale Price will increase to 100% of that appraisal, by equal percentage increments.
- -- After 20 years, the unit can be sold at market rate with no restrictions.
- --The Federal Home Loan Bank (FHLB) sub idv of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.
- --In the first 15 years the Illinois Housing Developm and A ithority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 years the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

	1 -	В		С		D		E		F	G			Н		1		J
Ą	ш	OME Prg	Ov	ved to		Base	P	roperty	HC	ME Prg.	IHD.	A	Sa	le Price	%	6 of	F	rojected
Year	4	6 Annual		HLB		Resale		Equity		rtgage to	Subsid	1		Plus	Pro	jected		Market
Tear		ase Ann		Sold		Price		_4=		xt 3uyer	Next B	•	Sι	bsidies	Mkt	Value		Value
2008	\$	80,000	\$	8,500	\$	88,500	\$	80,000	\$	3,000		-1	\$	161,500	95	.00%	\$	170,000
2009	\$	82,400	\$	6,800	\$	90,900	\$	84,100	\$	73,500	_		\$	163,900	91	.82%	\$	178,500
2010	\$	84,872	\$	5,100	\$	93,372	\$	88,272	\$	73,0C0	×,		\$	166,372	88	3.77%	\$	187,425
2010	\$	87,418	\$	3,400	\$	95,918	\$	92,518	\$	73,000			\$	168,918	85	.83%	\$	196,796
2012	\$	90,041	\$	1,700	\$	98,541	\$	96,841	\$	73,000			\$	171,541	83	3.02%	\$	206,636
2012	\$	92,742	•	al FHLB	\$	101,242	\$	101,242	\$	73,000			\$	174,242	80	).31%	\$	216,968
2014	\$	95,524		ubsidy	\$	104,024	\$		\$	73,000		70	\$	177,024	77	7.70%	\$	227,816
2015	\$	98,390	-	comes	\$	106,890	\$		\$	73,000			â	79,890	75	5.20%	\$	239,207
2016	\$	101,342		wner's	\$	109,842	\$	109,842	\$	73,000			9	182,842	72	2.80%	\$	251,167
2017	\$	104,382		Equity	\$	112,882	\$	112,882	\$	73,000			\$	181,382	70	0.48%	\$	263,726
2018	\$	107,513	<del>-</del>	-quity	\$	116,013	Š	116,013	\$	73,000			\$	180,013	68	3.26%	\$	276,912
2019	\$	110,739			\$	119,239	\$	119,239	\$	73,000	İ		\$	192,2(9	66	3.12%	\$	290,758
2020	1 \$	114,061	-		\$	122,561	\$	122,561	\$	73,000			\$	195,561		4 06%	\$	305,296
2021	15	117,483	$\vdash$		\$	125,983	\$		\$	73,000			\$	198,983		2 07%	\$	320,560
2022	1 \$	121,007	-		\$	129,507	\$	129,507	\$	73,000			\$	202,507		16%	\$	336,588
2023	\$	124,637	<del>                                     </del>		\$	133,137	\$	133,137	\$	73,000			\$	206,137		<u>8.პან</u>	\$	353,418
2024	+-	,	<u> </u>		<u> </u>	·			E	Becomes	Repai	d to	\$	235,593		6.66%	\$	371,089
2025	1						$\vdash$			Owners	IHDA	\ in	\$	265,050		5.00%	\$	389,643
2026	7		1						1	Equity	Case	e of	_	294,506		3.33%	\$	409,125
2027	7										Sale	or at	_	323,962	+	1.67%	\$	429,582
2028	7		}						]		20 Y	ears	\$	353,418	1 10	0.00%	\$	451,061
2029	1							Re	sale	without res	strictions							

0811635184 Page: 16 of 21

### **UNOFFICIAL COPY**

Exhibit E 12/6/2007

### RPDC: Mulford Commons 602 Mulford, Unit C2, with Subsidized Sale Price of \$80,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07

- --A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years.

  During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- --The Base Resale Price begins with an initial price of \$80,000 plus the subsidies that are passed on to subsequent buyer(s).
- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$4,000 (i.e. \$80,000 X .% > 5 years) of capital improvements could be added to the Base Resale Price.
- --At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value, which percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illustrative market sassume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$353,418, he Base Resale Price would be \$206,137, and the property's equity is 58.33% of market value. From years 16 through 20 the Allowable Sale Price will increase to 100% of that appraisal, by equal percentage increments.
- -- After 20 years, the unit can be sold at market rate with no restrictions.
- --The Federal Home Loan Bank (FHLB) st osidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.
- --In the first 15 years the Illinois Housing Development Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 years the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

Α	В	С	D	E	F	G	H		J
	HOME Prg	Owed to	Base	Proporty	HOME Prg.	IHDA	Sale Price	% of	Projected
Year	3% Annual	FHLB	Resale	Equity	Mortgage to	Subsidy to	Plus	Projected	Market
, , ,	Base Ann	if Sold	Price	7	Next Buyer	Next Buyer	Subsidies	Mkt Value	Value
2008	\$ 80,000	\$ 8,500	\$ 88,500	\$ 80,000	73,000		\$ 161,500	95.00%	\$ 170,000
2009	\$ 82,400	\$ 6,800	\$ 90,900	\$ 84,100	\$ 73,000		\$ 163,900	91.82%	\$ 178,500
2010	\$ 84,872	\$ 5,100	\$ 93,372	\$ 88,272	\$ 73,000		\$ 166,372	88.77%	\$ 187,425
2011	\$ 87,418		\$ 95,918	\$ 92,518	\$ 70,000		\$ 168,918	85.83%	\$ 196,796
2012	\$ 90,041	\$ 1,700	\$ 98,541	\$ 96,841	\$ 73,000	6	\$ 171,541	83.02%	\$ 206,636
2013	\$ 92,742	Total FHLB	\$ 101,242	\$ 101,242	\$ 73,000	7x	\$ 174,242	80.31%	\$ 216,968
2014	\$ 95,524	Subsidy	\$ 104,024	\$ 104,024	\$ 73,000	77	\$ 177,024	77.70%	\$ 227,816
2015	\$ 98,390	Becomes	\$ 106,890	\$ 106,890	\$ 73,000		\$ 179,890	75.20%	\$ 239,207
2016	\$ 101,342	Owner's	\$ 109,842	\$ 109,842	\$ 73,000		182,842	72.80%	\$ 251,167
2017	\$ 104,382	Equity	\$ 112,882	\$ 112,882	\$ 73,000		\$ 185,882	70.48%	\$ 263,726
2018	\$ 107,513		\$ 116,013	\$ 116,013	\$ 73,000		\$ 39,013	68.26%	\$ 276,912
2019	\$ 110,739		\$ 119,239	\$ 119,239	\$ 73,000		\$ 192,239	66.12%	\$ 290,758
2020	\$ 114,061		\$ 122,561	\$ 122,561	\$ 73,000		\$ 195 161	64.06%	\$ 305,296
2021	\$ 117,483		\$ 125,983	\$ 125,983	\$ 73,000		\$ 198, 83	62.07%	\$ 320,560
2022	\$ 121,007		\$ 129,507	\$ 129,507	\$ 73,000		\$ 202,50		\$ 336,588
2023	\$ 124,637		\$ 133,137	\$ 133,137	\$ 73,000		\$ 206,137	59.00%	\$ 353,418
2024	¥ 12.923	<del></del>			Becomes	Repaid to	\$ 235,593	(6.66°)	\$ 371,089
2025	-	ŀ	ı		Owners	IHDA in	\$ 265,050	75.00%	\$ 389,643
2026	7				Equity	Case of	\$ 294,506	83.33%	\$ 409,125
2027		1	1		1	Sale or at	\$ 323,962		<b>\$</b> 429,582
2028	7					20 Years	\$ 353,418	100.00%	451,061
2029				Resa	le without rest	rictions			Ca
2020									

0811635184 Page: 17 of 21

# **UNOFFICIAL COPY**

Exhibit E 12/10/2007

# RPDC: Mulford Commons 602 Mulford, Unit C3, with Subsidized Sale Price of \$100,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07

#### **Assumptions and Comments:**

--A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)

--For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.

-- The Base Resale Price begins with an initial price of \$100,000 plus the subsidies that are passed on to subsequent buyer(s).

--For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of yo to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$5,000 (i.e. \$100,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.

-At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value. For illustrative run oses, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$353,418, the Base Resale Price would be \$217,297, and the property's equity is 61.48% of market value. From years 16 through 20 the Allowable Sale Price will increase to 100% of that appraisal, by equal percentage increments.

-- After 20 years, the unit can be sold at market rate with no restrictions.

--The Federal Home Loan Bank (FHLB) subsidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.

--In the first 15 years the Illinois Housing Develor ment Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 years absidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

Α	В	С	D		F	G	Н		J
	HOME Prg	Owed to	Base	Property	HOME Prg.	IHDA	Sale Price	% of	Projected
Year	3% Annual	FHLB	Resale	Equity	Mortgage to	Subsidy to	Plus	Projected	Market
i cai	Base Ann	if Sold	Price		Next Buyer	Next Buyer	Subsidies	Mkt Value	Value
2008	\$ 100,000	\$ 8,500	\$ 108,500	\$ 100,000	\$ 31,000	\$ 22,000	\$ 161,500	95.00%	\$ 170,000
2009	\$ 103,000	\$ 6,800	\$ 111,500	\$ 104,700	\$ 31,000	\$ 22,000	\$ 164,500	92.16%	\$ 178,500
2010	\$ 106,090	\$ 5,100	\$ 114,590	\$ 109,490	\$ 37,000	\$ 22,000	\$ 167,590	89.42%	\$ 187,425
2011	\$ 109,273	\$ 3,400	\$ 117,773	\$ 114,373	\$ 31,500		\$ 170,773	86.78%	\$ 196,796
2012	\$ 112,551	\$ 1,700	\$ 121,051	\$ 119,351	\$ 31,000	\$ 22,000	\$ 174,051	84.23%	\$ 206,636
2013	\$ 115,927	Total FHLB	\$ 124,427	\$ 124,427	\$ 31,000	\$ 22,000	\$ 177,427	81.78%	\$ 216,968
2014	\$ 119,405	Subsidy	\$ 127,905	\$ 127,905	\$ 31,000	\$ 22,000	\$ 180,905	79.41%	\$ 227,816
2015	\$ 122,987	Becomes	\$ 131,487	\$ 131,487	\$ 31,000	\$ 22,000	\$ 184,487	77.12%	\$ 239,207
2016	\$ 126,677	Owner's	\$ 135,177	\$ 135,177	\$ 31,000	\$ 22,000	188,177	74.92%	\$ 251,167
2017	\$ 130,477	Equity	\$ 138,977	\$ 138,977	\$ 31,000	\$ 22,010	\$ 191,977	72.79%	\$ 263,726
2018	\$ 134,392		\$ 142,892	\$ 142,892	\$ 31,000	\$ 22,000		70.74%	\$ 276,912
2019	\$ 138,423		\$ 146,923	\$ 146,923	\$ 31,000	\$ 22,000	\$ 1,39,923	68.76%	\$ 290,758
2020	\$ 142,576		\$ 151,076	\$ 151,076	\$ 31,000	\$ 22,000	\$ 204.576	66.85%	\$ 305,296
2021	\$ 146,853		\$ 155,353	\$ 155,353	\$ 31,000	\$ 22,000	\$ 208,153	65.00%	\$ 320,560
2022	\$ 151,259		\$ 159,759		\$ 31,000	\$ 22,000	\$ 212,759	63.21%	\$ 336,588
2023	\$ 155,797		\$ 164,297	\$ 164,297	\$ 31,000	\$ 22,000	\$ 217,297	61 70%	\$ 353,418
2024	\$ 100,707		<del>• • • • • • • • • • • • • • • • • • • </del>	, , , , , , , , , , , , , , , , , , ,	Becomes	Repaid to	\$ 244,521	€ 9.19%_	\$ 371,089
2025	-				Owners	IHDA in	\$ 271,745	76.∂∌∜	1.5 389,643
2026	┪	1			Equity	Case of	\$ 298,969	84.59%	\$ 409,125
2027	┥				1 -17	Sale or at	\$ 326,194	92.30%	<ul><li>429,582</li></ul>
2027	Ⅎ	1	1		1	20 Years	\$ 353,418	100.00%	\$ 451,061
2029	-	L		Res	ale without res				CA
2029									

0811635184 Page: 18 of 21

### **UNOFFICIAL COPY**

### **RPDC: Mulford Commons** 602 Mulford, Unit D1, with Subsidized Sale Price of \$140,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07

Assumptions and Comments:

- --A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- -The Base Resale Price begins with an initial price of \$140,000 plus the subsidies that are passed on to subsequent buyer(s).
- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$7,000 (i.e. \$140,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- --At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market val. which percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illust aure urposes, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market val > is \$374,207, the Base Resale Price would be \$252,615, and the property's equity is 67.51% of market value. From years 16 through 20 the Allowable Sale Price will increase to 100% of that appraisal, by equal percentage increments.
- -- After 20 years, the unit can be so'd at market rate with no restrictions. -The Federal Home Loan Bank (F\* LB) subsidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this
- equity belongs to the home-owner. --In the first 15 years the Illinois Housing, Deve coment Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. Alier 12 years the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

				_	D I		Ē	- T	F		G		Н	1		J
Α	В		C		Base	7	r p ty	нс	ME Prg.		IHDA	Sa	le Price	% of	F	Projected
	HOME		Owed to		Resale	-	Equity		rtgage to	Su	bsidy to		Plus	Projected	İ	Market
Year	3% Ar		FHLB		Price		Liquity		xt Buyer	_	xt Buyer	Sı	ubsidies	Mkt Value*		Value
	Base		If Sold \$ 8,500	•	148,500	\$	140,000	-; = \$	10,000	\$	16,000	\$	174,500	96.94%	\$	180,000
2008		0,000		<del>\$</del>	152,700	\$	145,900	9	10,000		16,000	\$	178,700	94.55%_	\$	189,000
2009		4,200			157,026	\$	151,926	t	10,000		16,000	\$	183,026	92.23%	\$	198,450
2010	_	8,526			161,482	\$	158,082	\$	10 100	\$	16,000	\$	187,482	89.97%	\$_	208,373
2011		2,982		\$		\$	164,371	\$	10,00	\$	16,000	\$	192,071	87.79%_	\$	218,791
2012		7,571		_	170,798	Š	170,798	-	10,000		16,000	\$	196,798	85.66%	\$	229,731
2013		2,298	Total FHLB		175,667	\$		\$	10,000		13,000	\$	201,667	83.60%	\$	241,217
2014		7,167	Subsidy	\$		Š	180,682	_	10,000	3	10,000	\$	206,682	81.60%	\$	253,278
2015		72,182	Becomes	\$		\$	185,848	Š	10,000	\$	16.00	\$	211,848	79.66%	\$	265,942
2016		77,348	Owner's	\$		S		\$	10,000	\$	16, (7, 0		217,168	77.77%	\$	279,239
2017		32,668	Equity	ᆣ	196,648	·			10,000	\$	16,000		222,648	75.94%	\$	293,201
2018		88,148		\$					10,000	\$	16,000		213,293	74.15%	\$	307,861
2019		93,793	ļ	Ť		\$		1 \$	10,000	Š	16,000	<b>†</b> \$	23/,107	72.42%	\$	323,254
2020		99,607		\$		<u> </u>		_	10,000	1 -	16,000	\$	2 0,095	70.74%	\$	339,417
2021		05,595		\$				_	10,000		16,000	\$	246,263	09.10%	\$	356,388
2022		11,763			226,615			\$	10,000	-	16,000		252,61	67 51%	\$	374,207
2023	\$ 2	18,115	<del>                                       </del>	13	220,013	1 s		<u> </u>	Becomes		Repaid to	\$	244,521	79 19%	\$	392,917
2024	4		Į.			1 \$		-	Owners	] `	IHDA in	\$	271,745	76.20%	\$	412,563
2025	4			Į		\$			Equity	i	Case of	\$	298,969	84.59%	\$	433,191
2026	4		1			3			_4,		Sale or at	\$	326,194	92.30%	13	
2027	4		1	ì			306,615	_		ļ	20 Years	\$	374,207	100.00%	\$	477,594
2028	ļ			1					e without re	estri	ctions				_(	<u> </u>
2029	10	1- 1b- C	ity not wontin	10 t	he level of	Sul	osidy to fal	bel	ow \$10.00	O, th	nis unit is th	e o	nly one not	to start at 95%	6 ma	arket value
	"Due	to the C	nty not wantii	ıy ı	He level of	Jui	oolay to ta									
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0811635184 Page: 19 of 21

## **UNOFFICIAL COPY**

Exhibit E

12/6/2007

### **RPDC: Mulford Commons** 602 Mulford, Unit D2, with Subsidized Sale Price of \$120,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-0

- -A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income. There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- -The Base Resale Price begins with an initial price of \$120,000 plus the subsidies that are passed on to subsequent buyer(s).
- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$6,000 (i.e. \$120,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- --At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value ... ich percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illustrative purposes assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$374,207, th. Bers Resale Price would be \$237,956, and the property's equity is 63.59% of market value. From years 16 through 20 the Allowable Sale Price wil. increase to 100% of that appraisal, by equal percentage increments.
- -- After 20 years, the unit can be so', at narket rate with no restrictions.
- --The Federal Home Loan Bank (PHcC) rounddy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity
- --In the first 15 years the Illinois Housing De Jelos .nent Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. After 15 year, the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20

Year 3		FHLB if Sold \$ 8,500		Resale Price	1	Eruity		tgage to	-	sidy to		Plus	Projected		Market
2008 <b>\$</b> 2009 <b>\$</b>	Base Ann 120,000	if Sold					No.								
2008 <b>\$</b> 2009 <b>\$</b>	120,000	\$ 8,500	_				140	xt Buyer		t Buyer		bsidies	Mkt Value	-	Value 180,000
2009 \$		Ψ 0,000	\$	128,500	\$	120,C JO	\$	26,500	\$		\$_	171,000	95.00%	\$	189,000
	123,600	\$ 6,800	\$	132,100	\$	125,300	<u>•</u>		\$	101000	\$	174,600	92.38%	\$	198,450
			\$	135,808	<b>6</b> 3	130,708	6		\$	16,000	\$_	178,308	89.85%	\$	208,373
2011 \$	131,127	\$ 3,400	\$	139,627	\$	136,227	\$	26,500		16,000		182,127	87.40%	\$	218,791
2012 \$		\$ 1,700	\$	143,561	\$	141,861	\$	26,5°J		7-7	\$	186,061	85.04%	\$	229,731
2013 \$		Total FHLB	\$	147,613	\$	147,613	\$			16,000	\$_	190,113	82.75% 80.54%	\$	241,217
2014 \$	143,286	Subsidy	\$	151,786	\$	151,786	\$_	26,500		16,000	\$	194,286	78.41%	\$	253,278
2015 \$	147,585	Becomes	\$	156,085	\$	156,085	\$_	26,500	8	15,000	\$	198,585	76.34%	\$	265,942
2016 \$	\$ 152,012	Owner's	\$	160,512	\$	160,512	\$_	26,500	\$		\$	203,012	74.34%	\$	279,239
2017 \$	\$ 156,573	Equity	\$	165,073	\$	165,073	\$	26,500	\$		\$		72.40%	\$	293,201
2018 \$	\$ 161,270		\$	169,770	\$	169,770	\$	26,500	\$	16,000		212,270 217,108	70.52%	\$	307,861
2019	\$ 166,108		\$	174,608	\$	174,608	\$		\$	16,000	- ۲	222,091	68.70%	\$	323,254
2020 \$	\$ 171,091		\$	179,591	\$	,	\$		\$_	16,000	\$	22,031	66.95%	ŝ	339,417
2021 \$	\$ 176,224		\$	184,724	\$	184,724	_	26,500		16,000	\$	2, 2,511		\$	356,388
2022 5	\$ 181,511		\$	190,011	\$	10010	\$	26,500		16,000	\$	237,95		\$	374,207
2023	\$ 186,956		\$	195,456	\$	195,456			\$	epaid to	\$	265,206	70.87%	\$	392,917
2024			1		\$	249,206		Becomes		HDA in	\$	292,456	1 78.15 %	\$	412,563
2025					\$	276,456	-	Owners		Case of	\$	319,707		\$	433,191
2026			1		\$	303,707	-	Equity		ale or at	\$	346,957	92. 2%	\$	454,851
2027					\$	330,957			4 .	0 Years	\$	374,207	100 00 6	\$	477,594
2028		ļ			\$	358,207		without res			ΙΨ-	07 1,201	1	1	
2029						Res	sale	WILLIOUTIES	ti icuc	J113				_	

0811635184 Page: 20 of 21

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12/6/2007

#### **RPDC: Mulford Commons** 602 Mulford, Unit D3, with Subsidized Sale Price of \$120,000 20-Year Affordability Restrictions: Allowable Sale Price

Revised by City of Evanston 12-3-07
Assumptions and Comments:

- --A City of Evanston HOME Fund affordability loan of \$680,000 (to subsidize eleven units) comes with a transfer/sale restriction for 20 years. During the first 15 years any sale price increase is limited to the rate of increase in the Area Median Income or 3%, whichever is greater, plus the equity that comes to the buyer as the FHLB loan is forgiven. (See FHLB below.)
- --For the first 15 years, any Buyer must be an owner-occupant and have a household income that is 80% or less of the Area Median Income There are no income restrictions for the last five years, but the purchaser must be an owner-occupant.
- -The Base Resale Price begins with an initial price of \$120,000 plus the subsidies that are passed on to subsequent buyer(s).
- --For the first 15 years Column B will be determined each year according to the change in Area Median Income as published annually by HUD or 3%, whichever is greater. (The chart uses an annual increase of 3% for illustrative purposes.) Based on the initial sale price, allowed capital improvements of up to 1% per year are permitted. For example, in the 5th year, if no other capital improvements have been claimed, up to \$6,000 (i.e. \$120,000 X 1% X 5 years) of capital improvements could be added to the Base Resale Price.
- --At the end of year 15 the Condominium unit will be appraised at owner's cost and the Base Resale Price will be calcluated as a percentage of the appraised market value, which percentage will be the ratio that the unit owner's equity in the Condominium unit bears to the appraised market value. For illustrative purposes, assume the Condominium unit's value increases by 5% annually, so that in 15 years the Condominium unit's market value is \$374,207, the Base Resale Price would be \$237,956, and the property's equity is 63.59% of market value. From years 16 through 10 th . Allowable Sale Price will increase to 100% of that appraisal, by equal percentage increments.

  -- After 20 years, the unit can be so'1 at narket rate with no restrictions.
- -The Federal Home Loan Bank (r-HLD) Tabidy of \$8,500 is forgiven at the rate of 1/60th for every month that passes. After five years, this equity belongs to the home-owner.
- --In the first 15 years the Illinois Housing Develorment Authority (IHDA) subsidy is passed on to subsequent income qualified (under 80% AMI) buyers as an assumable mortgage. Afte 15 years the subsidy is returned to IHDA in case of a sale and, in any case, is returned to IHDA after 20 years.

Λ	В	С			7	ΧĒ	F		G		Н	I		J
Α	HOME Prg	Owed to	_	Base	ام ا	roperty	HOME Prg.		IHDA	Sa	le Price	% of		jected
	3% Annual	FHLB		Resale		Ec lity	Mortgage to	Su	bsidy to		Plus	Projected		arket
'ear	Base Ann	if Sold		Price			Next Buyer		xt Buyer	Su	bsidies	Mkt Value		alue
008	\$ 120,000	\$ 8,500	\$	128,500	\$	120,00	_	\$	16,000	\$	171,000	95.00%		180,000
009	\$ 123,600	\$ 6,800	Š	132,100		125,300		\$	16,000	\$	174,600	92.38%		189,000
010	\$ 127,308			135,808		130,708		\$	16,000	\$	178,308	89.85%		198,450
010	\$ 131,127	\$ 3,400		139,627		136,227		\$	16,000	\$	182,127	87.40%		208,373
012	\$ 135,061	\$ 1,700		143,561		141,861		9	16,000	\$	186,061	85.04%		218,791
013	\$ 139,113	Total FHLB		147,613		147,613		\$	16,000	\$_	190,113	82.75%		229,731
014	\$ 143,286	Subsidy	\$			151,786		6	16,000	\$	194,286	80.54%		241,217
015	\$ 147,585	Becomes	\$	156,085	\$	156,085	\$ 26,500	\$	1/,000	\$	198,585	78.41%		253,278
016	\$ 152,012	Owner's	\$	160,512	\$	160,512	\$ 26,500	\$	15,000	\$	203,012	76.34%		265,942
017	\$ 156,573	Equity	\$	165,073	\$	165,073	\$ 26,500	\$	10,000		207,573	74.34%		279,239
018	\$ 161,270		\$	169,770	\$	169,770	\$ 26,500	\$	16,000		212,270	72.40%		293,201
019	\$ 166,108		\$		\$	174,608	\$ 26,500	\$	16,000		117,108	70.52%		307,861
020	\$ 171,091	<del> </del>	\$	179,591	\$	179,591	\$ 26,500	\$	16,000	\$	222,091	68.70%		323,254
2021	\$ 176,224		\$	184,724	\$	184,724	\$ 26,500	\$	16,000	\$	227,27.4			339,417
2022	\$ 181,511		\$		\$	190,011	\$ 26,500	\$	16,000	\$	232, 11	F5.24%	_	356,388
023	\$ 186,956		Š			195,456	\$ 26,500	\$	16,000	\$	237,950	63.59%	\$	374,207
2023	\$ 100,550	<del> </del>	╅	100) 100	<u> </u>	249,206		F	Repaid to	\$	265,206	70 37%	\$	392,917
	-		ļ		\$		-		IHDA in	\$	292,456	18 .5%	\$	412,563
2025	4					303,707			Case of	\$	319,707	85.4/ /	\$	433,191
2026	4	ţ	1		\$		<b>⊣</b> ''	1 :	Sale or at	\$	346,957	92.72%		454,851
2027	4	1	1			358,207			20 Years	\$	374,207	100.00%	$\mathbb{C}\mathbb{L}$	477,594
2028					1 *		ale without re	stric	tions					0
029								_						

0811635184 Page: 21 of 21

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# EXHIBIT C ALLOWABLE CAPITAL IMPROVEMENTS

These add to the value of your home, prolong its useful life, or adapt it to new uses.

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**Additions** 

Bathroom

Deck

Patio

Heating & Air Con aitioning

Heating system

Central air conditioning

Furnace

Duct work

Central humidifier

Filtration system

Lawn & Grounds

Retaining wall

Sprinkler system

**Plumbing** 

Septic system

Water heater

Soft water system

Filtration system

**Interior Improvements** 

Built in appliances

Kitchen modernization

**Flooring** 

**Insulation** 

Attic

Walls, floor

Pipes, ductwork

Miscellaneous

Storm windows, doors

New Roof

Wiring upgracies

Security system.

Repairs: these maintain your home in good condition but <u>do not add to its value</u> or prolong its life. You <u>do not include these as capital improvements</u>. Examples: Repainting your house, fixing your gutters or floors, repairing leaks or plastering and replacing broken window panes