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This document prepared by:
Tracy Shine, Esq.
After recording, mail to:
Susana Melgoza, Single Family Department
Illinois Housing Development Authority
401 N. Michigan Ave., Suite 700
Chicago, Illinois 60611
Property Identification No.:
20.32.305.033.0000
Property Address:
8334 S. Elizabeth
Chicago, Illinois

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Eugene "Gene" Moore
Cook County Recorder of Deeds
Date: 05/02/2008 05:07 PM Pg: 1 of 4

STF-2741

RECAPTURE AGREEMENT

THIS RECAPTURE AGREEMENT (this "Agreement") dated as of the 31st day of March, 2008, made by Gladys Howard (the "Owner") whose address is 8334 South Elizabeth, Chicago, Illinois, in favor of **the ILLINOIS HOUSING DEVELOPMENT AUTHORITY** ("IHDA") whose address is 401 North Michigan Avenue, Suite 700, Chicago, Illinois;

WITNESSETH:

WHEREAS, the Owner is the holder of legal title to certain real property and the improvements constructed on it, commonly known as 8334 South Elizabeth, Illinois (the "Residence"), legally described in **Exhibit A** attached to and made a part of this Agreement; and

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

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

NOW, THEREFORE, the parties agree as follows:

1. **Incorporation**. The foregoing recitals are made a part of this Agreement.
2. **Recapture**.
 - a. As a condition of the IHDA's making of the Grant, the Owner agrees to repay to IHDA the Repayment Amount (as defined below) if one or more of the following events (each such event is called a "**Recapture Event**") occurs before the fifth (5th) annual anniversary of the date of this Agreement:

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

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

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

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

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

3. Covenants to Run With the Land; Termination. This Agreement shall encumber the Residence and be binding on any future owner of the Residence and the holder of any legal, equitable or beneficial interest in it for five (5) years from the date of this Agreement (the "Termination Date"); provided, however, that if no Recapture Event occurs before the Termination Date, or if any sale, conveyance or transfer of the Residence occurs due to a foreclosure, a deed in lieu of foreclosure, or the death of all Owners of the Residence, this Agreement shall automatically terminate and shall be deemed to have been released.

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4. **Amendment.** This Agreement shall not be altered or amended without the prior written approval of the IHDA.

IN WITNESS WHEREOF, the Owner has executed this Agreement.

OWNER:

Gladys Howard

STATE OF ILLINOIS)
) SS
 COUNTY OF COOK)

ACKNOWLEDGMENT

I, the undersigned, a notary public in and for the State and County aforesaid, certify that Gladys Howard [and _____] who [is][are] personally known to me to be the same person[s] whose names [is][are] subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that [he][she][they] signed and delivered the said instrument as [his][her] [their] free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and official seal this 31st day of March, 2008



Cathy Lynn Reed
 Notary Public

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EXHIBIT A

LEGAL DESCRIPTION OF RESIDENCE

Pin No 20.32.305.033.000

Lot 7 in Auburn Gardens, Being Albert A. Billasch's Resubdivision of Lots 7 to 24 in Block 2 in Resubdivision of Blocks 2 and 3 of Sisson's Subdivision of the East ½ of the Northeast ¼ of the Southeast ¼ of Section 32, Township 38 North, Range 14 East of the 3rd Principal Meridian, In Cook County, Illinois

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