

# UNOFFICIAL COPY

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This instrument prepared by:  
Thomas Jenkins, Esq.  
and after recording, return to:  
Homeownership Department  
Illinois Housing Development Authority  
401 N. Michigan Ave., Suite 700  
Chicago, Illinois 60611



Doc#: 1115931035 Fee: \$42.00  
Eugene "Gene" Moore RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 06/08/2011 12:28 PM Pg: 1 of 4

Property Identification No.:  
13-20-421-015-0000

Property Address:  
3315 N. Austin Avenue  
Chicago, Illinois 60634

STF-50326

## RECAPTURE AGREEMENT

**THIS RECAPTURE AGREEMENT** (this "Agreement") dated as of the 2<sup>nd</sup> day of June, 2011, made by Barbara L. Cobbs (the "Owner") whose address is 3315 N. Austin, 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 purchasing and will be the holder of legal title to certain real property and the improvements constructed on it, commonly known as 3315 N. Austin, Chicago, 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 Five Thousand and No/100 Dollars (\$5,000.00) (the "Grant"), the proceeds of which are to be used for down payment and closing cost assistance in connection with the Owner's purchase 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 IHDA's making of the Grant, the Owner agrees to repay to IHDA the Repayment Amount (as defined in subparagraph b. below) if one or more of the

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following events (each such event is called a "**Recapture Event**") occurs before the Termination Date (as defined in Paragraph 3 below):

- (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. If a Recapture Event occurs, the Owner shall pay to IHDA the amount of the Grant reduced by one sixtieth (1/60<sup>th</sup>) 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. **Default.** The Owner's failure to make any payment due under this Agreement shall be a default hereunder. IHDA shall give written notice of such default to Owner at the Residence. Upon such default IHDA may:

- a. Declare the unforgiven portion of the Grant immediately due and payable; and/or
- b. Exercise such other rights or remedies as may be available to IHDA hereunder, at law or in equity.

IHDA's remedies are cumulative and the exercise of one shall not be deemed an election of remedies, nor foreclose the exercise of IHDA's other remedies. No delay on the part of IHDA in exercising any rights hereunder, failure to exercise such rights or the exercise of less than all of its rights shall operate as a waiver of any such rights.

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

6. **Partial Invalidity.** The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.


7. **Gender.** The use of the plural in this Agreement shall include the singular; the singular shall include the plural; and the use of any gender shall be deemed to include all genders.

8. **Captions.** The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of the agreement.

9. **WAIVER OF JURY TRIAL.** THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE LOAN OR THIS AGREEMENT.

IN WITNESS WHEREOF, the Owner has executed this Agreement as of the date and year first above written.

OWNER:

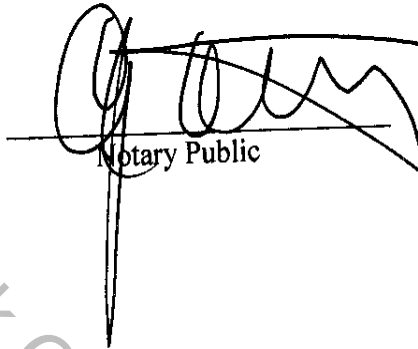
  
Barbara L. Cobbs

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STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, the undersigned, a notary public in and for the State and County aforesaid, certify that Barbara L. Cobbs, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the said instrument as her free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and official seal this 2<sup>nd</sup> day of June, 2011.

  
\_\_\_\_\_  
Notary Public



**Exhibit A - Recapture Agreement**  
**STF - 50326**  
**Legal Description of Residence**

**LOT 4 IN BLOCK 3 IN JOHNSON BROTHERS FIRST ADDITION TO WESTFIELD MANOR, A SUBDIVISION OF THE WEST THIRD (EXCEPTING THE WEST 33 FEET AND THE SOUTH 158 FEET THEREOF) OF THE WEST ½ OF THE SOUTHWEST ¼ OF THE SOUTHEAST ¼ OF SECTION 20 TOWNSHIP 40 NORTH RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.**