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Prepared By/Return To:

Pamela E. Cash, Esq.
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Chicago Housing Authority
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40027491 (3 OF 7)
STATE OF ILLINOIS
COUNTY OF COOK

Doc# 1722334051 Fee \$56.00

RHSP FEE: \$9.00 RPRF FEE: \$1.00

KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 08/11/2017 01:50 PM PG: 1 OF 10

Rental Assistance Demonstration
Use Agreement

U.S. Department of Housing
and Urban Development
Office of Housing
Office of Public and Indian Housing

OMB Approval No. 2577-0276 (Exp. 02/29/16)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0276), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This Rental Assistance Demonstration Use Agreement (hereinafter called the "Agreement") made the 10th day of August, 2017, by and between the United States of America, Secretary of Housing and Urban Development (hereinafter called "HUD"), Chicago Housing Administration LLC, Owner, (hereinafter called the "Owner"), and Chicago Housing Authority (hereinafter called the "PHA Lessor") provides as follows:

Whereas, Rental Assistance Demonstration (hereinafter called "RAD") provides the opportunity to test the conversion of public housing and other HUD-assisted properties to long-term, project-based Section 8 rental assistance to achieve certain goals, including the preservation and improvement of these properties through access by Owners to private debt and equity to address immediate and long-term capital needs.

Whereas, Projects funded under the public housing programs may under RAD convert their assistance to long-term, project-based Section 8 rental assistance contracts. Under this component of RAD, Owners may choose between two forms of Section 8 Housing Assistance Payment (HAP) contracts: project-based vouchers (PBVs) or project-based rental assistance (PBRA). No incremental funds are authorized for this component. Owners will convert their assistance at current subsidy levels.

Whereas, Projects shall have a RAD Use Agreement that will be recorded superior to other liens on the property, run for the same term as the initial term of the HAP contract, automatically renew upon each extension or renewal of the HAP contract for a term that runs with each renewal term of the HAP contract, and remain in effect even in the case of abatement or termination of the HAP contract (for the term the HAP contract would have run, absent the abatement or termination).

Whereas, HUD has approved the conversion of the "Project" identified as Major Robert Lawrence Apartments covering real property as described in Exhibit "A" attached hereto; and that this approval is evidenced by and through the terms of the RAD Conversion Commitment as described in Exhibit "B" attached hereto; and that was previously subject to a public housing Declaration of Trust dated May 31, 2006 and recorded on July 26, 2006 in the Office of the Cook County Recorder of Deeds as document number 0620734085 and such public housing Declaration of Trust was partially released on 8/11/2017 and recorded on 8/11/2017 in the Office of the Cook County Recorder of Deeds as document number #1722334049

Whereas, pursuant to the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011) and the corresponding PIH Notice 2012-32 published on July 26, 2012 (hereinafter called the "RAD Notice"), which this Use Agreement incorporates, in exchange for HUD's agreement to permit this conversion to PBVs or PBRA, the Owner has agreed to continue to operate the assisted PBV or PBRA units only as rental housing for the initial term, and each renewal term of the HAP Contract, unless otherwise approved by HUD;

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

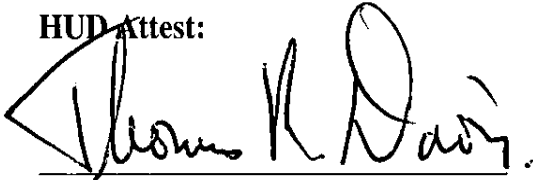
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1. **Definitions.** All terms used in this Agreement have the same meaning as set forth in the definitions in RAD Notice.
2. **Term.** The initial term shall be twenty (20) years. Unless otherwise approved by HUD, this Agreement shall remain in effect through the initial term, and for an additional period to coincide with any renewal term of the HAP Contract. This Agreement will survive HAP abatement or termination of the HAP Contract unless otherwise approved by HUD.
3. **Use Restriction and Tenant Incomes.** The HAP-assisted units within this Project shall be used solely as rental housing for tenants meeting the eligibility and income-targeting requirements under the HAP Contract. In the case that the HAP Contract is terminated (due to, e.g.: breach, or non-compliance), new tenants must have incomes at or below 80 percent of the average median income (AMI) at the time of admission for the remainder of the term of the Agreement, applicable to all units previously covered under the HAP contract. Additionally, rents must not exceed 30% of 80% of median income for an appropriate sized unit. Notwithstanding the foregoing, in the event the Owner is able to demonstrate to HUD's satisfaction that despite the Owner's good faith and diligent efforts to do so, the Owner is unable either (1) to rent a sufficient percentage of Units to Low Income Tenants or Very Low Income Tenants in order to satisfy the restrictions in this paragraph, or (2) to otherwise provide for the financial viability of the Project, HUD may, in its sole discretion, agree to reduce the percentage of units subject to the restriction under this paragraph or otherwise modify this restriction in a manner acceptable to the Owner and HUD. Any such modification of the restrictions listed in this paragraph shall be evidenced by a written amendment to this Agreement executed by each of the parties hereto.
4. **Subordination.** Any mortgage liens will be subject to this Agreement. This Agreement will survive foreclosure and bankruptcy.
5. **Fair Housing and Civil Rights Requirements.** Compliance with all applicable fair housing and civil rights requirements including the obligation to affirmatively further fair housing and the site selection and neighborhood standards requirements set forth in 24 CFR §§ 1.4(b)(3) and 941.202, as applicable, is required.
6. **Federal Accessibility Requirements.** Compliance with all applicable federal accessibility requirements under the Fair Housing Act and implementing regulations at 24 CFR Part 100, Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR Part 8, and Titles II and III of the Americans with Disabilities Act and implementing regulations at 28 CFR Parts 35 and 36, respectively, is required.
7. **Transfer of the Agreement.** HUD has been granted and is possessed of an interest in the above described Project such that the Owner shall remain seized of the title to said Project and refrain from transferring, conveying, encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said Project or any part thereof without the release of said covenants by HUD. The Owner has constituted HUD as its attorney-in-fact to transfer PBV or PBRA assistance to another entity in the event of default under the HAP Contract. With HUD approval, after 10 years from the effective date of the initial term of the HAP Contract, if the Project is economically non-viable or physically obsolete, assistance may be transferred subject to this Agreement. Any such new Owner shall assume the obligations under this Agreement as a condition of any transfer. This Agreement shall be binding upon the Owners and all future successors and assigns until released by HUD.
8. **Release.** The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the Owner of any real or personal property which is determined to be excess to the needs of the Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public rights-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying an interest therein, or (4) upon any instrument of release made by the Owner of the assisted PBV or PBRA units shall be effective to release such property from the restrictive covenants hereby created.
9. **Enforcement.** In the event of a breach or threatened breach of any of the provisions of this Agreement, any eligible tenant or applicant for occupancy within the Project, or the Secretary or his or her successors or delegates, may institute proper legal action to enforce performance of such provisions, to enjoin any acts in violation of such provisions, to recover whatever damages can be proven, and/or to obtain whatever other relief may be appropriate.
10. **Severability.** The invalidity, in whole or in part, of any of the provisions set forth in this Agreement shall not affect or invalidate any remaining provisions.
11. **Impairment of HAP Contract.** The terms and provisions of this Agreement shall continue in full force and effect except as expressly modified herein. Any conflicts between this Agreement and the HAP Contract shall be conclusively resolved by the Secretary.
12. **Execution of Other Agreements.** The Owner agrees that it has not and will not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other conflicting requirements.
13. **Subsequent Statutory Amendments.** If revisions to the provisions of this Agreement are necessitated by subsequent statutory amendments, the Owner agrees to execute modifications to this Agreement that are needed to conform to the statutory amendments. In the alternative, at HUD's option, HUD may implement any such statutory amendment through rulemaking.
14. **No Negotiation.** This Agreement is not subject to negotiation by the Owner or any lender.
15. **Rider to Use Agreement.** The Rider to Use Agreement is attached hereto as Exhibit C and made a part hereof by this reference.

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In Witness Whereof, HUD, the Owner and the PHA Lessor thereunto duly authorized have caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this 3 day of August, 2017.

HUD Attest:



By: Thomas R. Davis

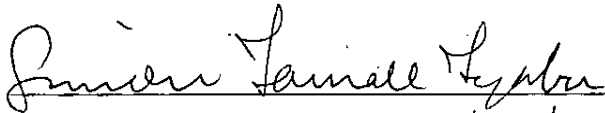
Title: Director, Office of Recapitalization

Date: 8-3-17

District of Columbia: SS

Before me, Simon Tamaletyaba, a Notary Public in and for said District, on this 3rd day of August, 2017, personally appeared Thomas R. Davis, who is personally well known to me to be the Director, Office of Recapitalization, of HUD, and the person who executed the foregoing instrument by virtue of the authority vested in him, he did acknowledge the signing thereof to be a free and voluntary act and done on behalf of the Secretary of Housing and Urban Development for the uses, purposes and considerations therein set forth.

Witness my hand and official seal this 3rd day of August, 2017.
(Seal)

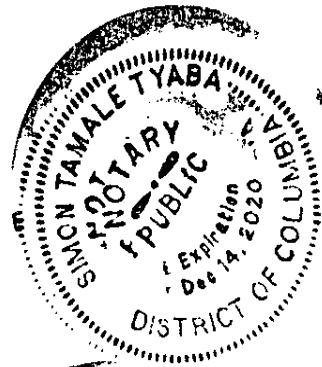


(Notary Public)

My commission expires 12/14/20, 2020.

DISTRICT OF COLUMBIA: SS
SUBSCRIBED AND SWORN TO BEFORE ME
THIS 3rd DAY OF August, 2017

Simon Tamaletyaba
NOTARY PUBLIC
My Commission Expires 12/14/20



Owner Attest:

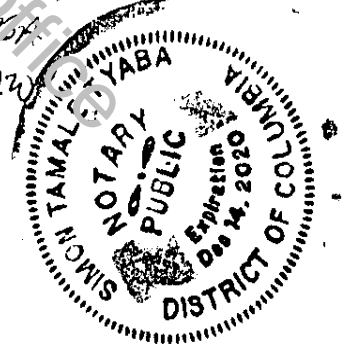
Chicago Housing Administration LLC
an Illinois limited liability company

By: Chicago Housing Authority
an Illinois municipal corporation,
its sole member

By: Eugene E. Jones, Jr.
Chief Executive Officer

DISTRICT OF COLUMBIA: SS
SUBSCRIBED AND SWORN TO BEFORE ME
THIS ____ DAY OF _____

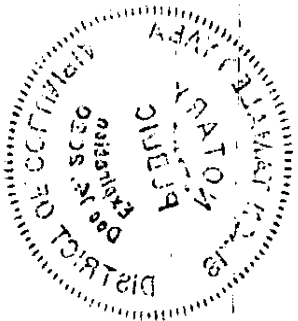
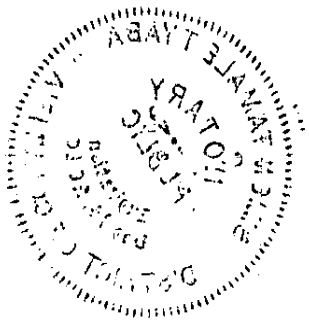
Eugene E. Jones, Jr.
NOTARY PUBLIC
My Commission Expires _____



Date:

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Property of Cook County Clerk's Office



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In Witness Whereof, HUD, the Owner and the PHA Lessor thereunto duly authorized have caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this _____ day of _____, 20____.

HUD Attest:

By: Thomas R. Davis

Title: Director, Office of Recapitalization

Date:

District of Columbia: SS

Before me, _____, a Notary Public in and for said District, on this _____ day of _____, 20____, personally appeared Thomas R. Davis, who is personally well known to me to be the Director, Office of Recapitalization, of HUD, and the person who executed the foregoing instrument by virtue of the authority vested in him, he did acknowledge the signing thereof to be a free and voluntary act and done on behalf of the Secretary of Housing and Urban Development for the uses, purposes and considerations therein set forth.

Witness my hand and official seal this _____ day of _____, 20____.
(Seal)

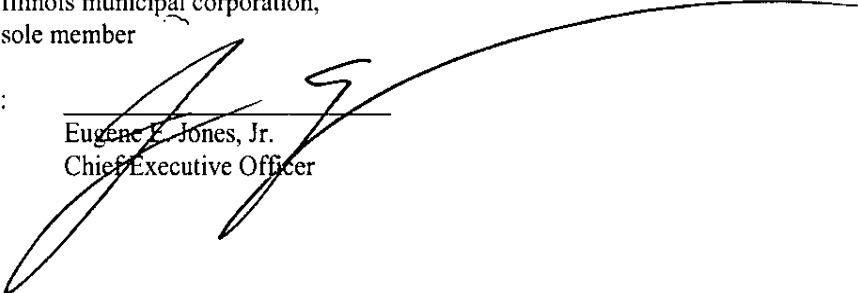
(Notary Public)

My commission expires _____, 20____.

Owner Attest:

Chicago Housing Administration LLC
an Illinois limited liability company

By: Chicago Housing Authority
an Illinois municipal corporation,
its sole member

By: 
Eugene E. Jones, Jr.
Chief Executive Officer

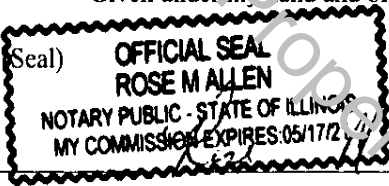
Date:

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State of Illinois)
) ss
County of Cook)

I, the undersigned Notary Public in and for the county and State aforesaid, do hereby certify that Eugene E. Jones, Jr., personally known to me to be the Chief Executive Officer of the Chicago Housing Authority, sole member of Chicago Housing Administration LLC, an Illinois limited liability company, and 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 severally acknowledged that as such officer, he signed and delivered the said instrument, on behalf of the Chicago Housing Administration LLC, as the free and voluntary act of such person, for the uses and purposes set forth therein.

Given under my hand and official seal this 10 day of August, 2017.



Rose M. Allen (Notary Public)

My commission expires 5-17, 20 21.

PHA Lessor Attest:

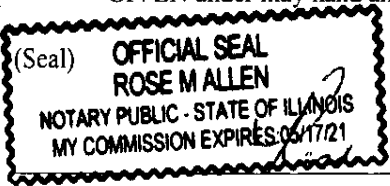
Chicago Housing Authority
an Illinois municipal corporation

By: Eugene E. Jones, Jr.
Chief Executive Officer

State of Illinois)
) ss
County of Cook)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Eugene E. Jones, Jr., Chief Executive Officer, of the Chicago Housing Authority, a municipal corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such respective officer, appeared before me this day in person and acknowledged that he signed and delivered such instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes set forth therein; and the latter officer also than and there acknowledged that he, as custodian of the corporate seal of said corporate, affixed the same to the foregoing instrument as his free and voluntary act of the Chicago Housing Authority.

GIVEN under my hand and notarial seal this ___ day of _____, 2017.



Rose M. Allen (Notary Public)

My commission expires 5-17, 20 21.

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EXHIBIT A – Property Subject to this RAD Use Agreement

A TRACT OF LAND LOCATED IN THE CITY OF CHICAGO, COUNTY OF COOK AND STATE OF ILLINOIS AND LYING IN THE WEST 1/2 OF THE NORTHWEST 1/4 OF SECTION 21, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED BY A LINE DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE SOUTH LINE OF WEST 65TH STREET WITH THE WEST LINE OF SOUTH LOWE AVENUE; THENCE SOUTH ALONG THE WEST LINE OF SOUTH LOWE AVENUE TO ITS INTERSECTION WITH THE SOUTH LINE OF LOT 9 IN BLOCK 14 OF LINDEN GROVE, BEING THE NORTHWEST 35 ACRES AND THE SOUTH 90 ACRES OF THE NORTHWEST 1/4 OF SECTION 21, AFORESAID; THENCE WEST ALONG THE SOUTH LINES OF LOTS 9 AND 10 IN BLOCK 14, AFORESAID, TO THE INTERSECTION WITH THE EAST LINE OF SOUTH UNION AVENUE; THENCE NORTH ALONG THE EAST LINE OF SOUTH UNION AVENUE, TO ITS INTERSECTION WITH THE SOUTH LINE OF WEST 65TH STREET; THENCE EAST ALONG THE SOUTH LINE OF WEST 65TH STREET TO THE POINT OF BEGINNING.

PINS: 20-21-117-001-0000 20-21-117-004-0000
 20-21-117-005-0000 20-21-117-006-0000
 20-21-117-007-0000 20-21-117-008-0000
 20-21-117-009-0000 20-21-117-015-0000
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 20-21-117-018-0000 20-21-117-019-0000
 20-21-117-020-0000 20-21-117-021-0000
 20-21-117-022-0000 20-21-117-027-0000
 20-21-117-032-0000 20-21-117-035-0000
 20-21-117-036-0000 20-21-117-037-0000
 20-21-117-038-0000 20-21-117-039-0000
 20-21-117-040-0000 20-21-117-041-0000
 20-21-117-042-0000

ADDRESS: 655 West 65th Street, Chicago, Illinois.

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EXHIBIT B – RAD Conversion Commitment

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

**COOK COUNTY
RECORDER OF DEEDS**

Property of Cook County Clerk's Office

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EXHIBIT C- Rider to Use Agreement Relating to Foreclosure (for PBV and PBRA RAD conversions from Public Housing)

This rider (Rider), made as of _____, 2017, is attached to and amends the Rental Assistance Demonstration Use Agreement by and between the United States of America, acting through the Department of Housing and Urban Development (HUD), **CHICAGO HOUSING ADMINISTRATION, LLC** (Owner), and **CHICAGO HOUSING AUTHORITY** (PHA) dated and/or executed as of substantially even date herewith, as such document may be amended from time to time (Use Agreement).

To the extent any provisions of this Rider conflict with any other provisions in the Use Agreement, the provisions of this Rider shall prevail. Any other terms in the Use Agreement not in conflict with the provisions of this Rider remain in full force and effect.

Notwithstanding any provisions contained in the Use Agreement:

1. Nothing in the Use Agreement prohibits any holder of a mortgage or other lien against the real property described on Exhibit A (Property) from foreclosing its lien or accepting a deed in lieu of foreclosure. Any lien holder shall give HUD, as a courtesy, written notice prior to declaring an event of default and shall provide HUD concurrent notice with any written filing of foreclosure filed in accordance with state law provided that the foreclosure sale shall not occur sooner than sixty days (60) days after such notice to HUD.
2. Notwithstanding any lien holder's foreclosure rights, the Use Agreement survives foreclosure and any new owners of the Property or the Project take ownership subject to the Use Agreement.
3. Transfer of title of the Property or the Project may be grounds for termination of assistance under the HAP contract. However, HUD may permit, with HUD written consent, the new owner of the Property or the Project to assume the HAP contract, subject to the terms included therein, or enter into a new HAP contract. Any HUD consent to continued HAP assistance is subject to PL 112-55 and other RAD program requirements.
4. Each entity interested in purchasing the property in a foreclosure sale administered under state foreclosure law may submit a written request to HUD to continue HAP contract assistance in the event of such entity's successful acquisition at the foreclosure sale. Such request shall be submitted by the latter of ten business days after first publication of the foreclosure sale or 60 days prior to such foreclosure sale.

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Owner: CHICAGO HOUSING ADMINISTRATION, LLC
an Illinois limited liability company

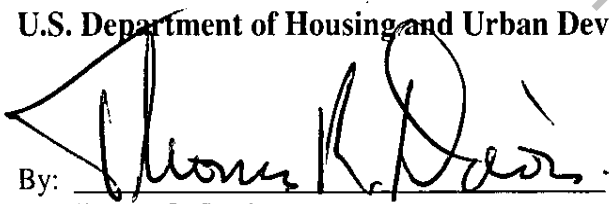
By: Chicago Housing Authority
an Illinois municipal corporation
Its sole member

Eugene E. Jones, Jr.
Chief Executive Officer

PHA: CHICAGO HOUSING AUTHORITY
an Illinois municipal corporation

By: _____
Eugene E. Jones, Jr.,
Chief Executive Officer

U.S. Department of Housing and Urban Development:

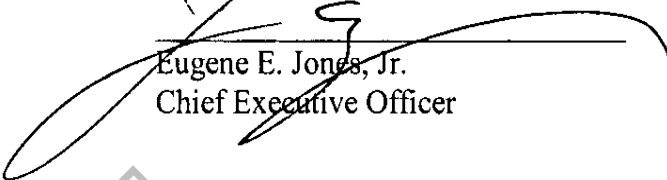
By: 
Thomas R. Davis
Director, Office of Recapitalization

Property of Cook County Clerk's Office

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Owner: CHICAGO HOUSING ADMINISTRATION, LLC
an Illinois limited liability company

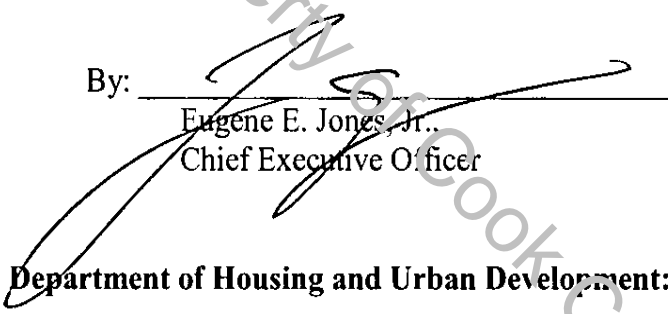
By: Chicago Housing Authority
an Illinois municipal corporation
Its sole member



Eugene E. Jones, Jr.
Chief Executive Officer

PHA: CHICAGO HOUSING AUTHORITY
an Illinois municipal corporation

By: _____
Eugene E. Jones, Jr.
Chief Executive Officer



U.S. Department of Housing and Urban Development:

By: _____
Thomas R. Davis, Director
Office of Recapitalization

Property of Cook County Clerk's Office