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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. 2502-0612
(Exp. 04/30/2020)

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Washington, DC 20001

Doc# 1807229049 Fee \$92.00
RHSP FEE:\$9.00 RPRF FEE: \$1.00
KAREN A. YARBROUGH
COOK COUNTY RECORDER OF DEEDS
DATE: 03/13/2018 12:59 PM PG: 1 OF 10

After recording return to:
Beverly N. Rudman
RAD Closing Manager
U.S. Department of HUD
451 7th Street SW, Room 6222
Washington, DC 20410

Stewart Title NTS- Chicago
10 S. Riverside Plaza, Suite 1450
PH: 312-849-4400
File No: 1700031585

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This Rental Assistance Demonstration Use Agreement (hereinafter called the "Agreement") is made as of March 12, 2018, for the benefit of and agreed to by the United States Department of Housing and Urban Development, acting by and through the Secretary, his or her successors, assigns or designates (hereinafter called "HUD") by South Suburban Senior Living, LLC, an Illinois limited liability company (the "Project Owner"), and Housing Authority of Cook County, ("PHA").

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

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improvement of these properties through access to private debt and equity to address immediate and long-term capital needs.

Whereas, the PHA is the fee owner of the real property described on Exhibit A (the "Property"), upon which is or will be located improvements owned or to be owned by Project Owner receiving assistance converted pursuant to RAD, which project will commonly be known as Edward Brown Apartments and Turlington West Apartments (the "Project"). The Project will contain 223 dwelling units, of which 220 ("Assisted Units") are subject to a RAD Housing Assistance Payment contract, as the same may be renewed, amended or replaced from time to time ("RAD HAP contract").

Whereas, pursuant to the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011, as amended from time to time, the "RAD Statute"); and the corresponding PIH Notice 2012-32, rev-2, as amended from time to time, and any successor document and/or regulations (hereinafter called the "RAD Notice"), which this Agreement incorporates by this reference, the PHA and/or the Project Owner, as applicable, has agreed to encumber the Property and the Project Owner has agreed to operate the Project in accordance with this Agreement in exchange for HUD's agreement to execute or permit the execution of the RAD HAP contract and the assistance provided thereby;

Whereas, in accordance with the RAD Statute and RAD Notice, except as otherwise agreed in writing by HUD, this Agreement is to be recorded superior to other liens on the Property, run until the conclusion of the initial term of the RAD HAP contract, automatically renew upon each extension or renewal of the RAD HAP contract for a term that runs with each renewal term of the RAD HAP contract, and remain in effect even in the case of abatement or termination of the RAD HAP contract for the term the RAD HAP contract would have run, absent the abatement or termination.

Now Therefore, in consideration of the foregoing, conversion of assistance pursuant to RAD, provision of rental assistance pursuant to the RAD HAP contract and other valuable consideration, the parties hereby agree as follows:

1. **Definitions.** All terms used in this Agreement and not otherwise defined have the same meaning as set forth in the RAD Notice.

2. **Term.** The initial term of this Agreement commences upon the date this Agreement is entered into and shall run until the conclusion of the initial term of the RAD HAP contract. The RAD HAP contract is effective for twenty (20) years. Unless otherwise approved by HUD, this Agreement shall remain in effect through the initial term of the RAD HAP contract and for additional periods to coincide with any renewal term of the RAD HAP contract or any replacement HAP contract. It is the intention of the parties that the RAD HAP and this Agreement shall each renew upon the completion of its initial term. Therefore, this Agreement shall remain in effect until a release is recorded as contemplated by Section 8. Such release shall be the evidence of the non-renewal of the HAP Contract, of the determination not to execute a replacement HAP contract and of the termination of this Agreement. This Agreement will survive abatement of assistance or termination of the RAD HAP contract unless otherwise approved by HUD.

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3. Use Restriction and Tenant Incomes. The Assisted Units shall be leased in accordance with the RAD HAP contract, including any applicable eligibility and/or income-targeting requirements. In the case that the RAD HAP contract is terminated prior to the completion of the term or renewal term, if applicable, of this Agreement (by way of illustration and not limitation, for breach or non-compliance), for the remainder of the term of this Agreement new tenants leasing the Assisted Units (except if any of the Assisted Units is a HUD-approved manager unit) must have incomes at or below 80 percent of the Area Median Income (AMI) at the time of admission ("Eligible Tenants"). Additionally, rents for such Assisted Units must not exceed 30% of 80% of the AMI for households of the size occupying an appropriately sized unit.

Notwithstanding the foregoing, in the event the Project Owner so requests and is able to demonstrate to HUD's satisfaction that despite the Project Owner's good faith and diligent efforts to do so, the Project Owner is unable either (1) to rent a sufficient percentage of Assisted Units to Eligible 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 Project 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. Survival. This Agreement will survive foreclosure and bankruptcy.

5. Fair Housing and Civil Rights Requirements. The Project Owner and its agents, where applicable, shall ensure that the Project complies with applicable federal fair housing and civil rights laws, regulations, and other legal authorities, including those identified at 24 C.F.R. § 5.105.

6. Accessibility Requirements. The Project Owner and its agents, where applicable, shall ensure that the Project complies with all applicable federal accessibility requirements under the Fair Housing Act and implementing regulations at 24 CFR Part 106, 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.

7. Restrictions on Transfer. HUD has been granted and is possessed of an interest in the above described Project. Except as authorized below, the Project Owner and, if a party hereto, the PHA, shall not transfer, convey, encumber or permit or suffer any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said Project and/or Property or any part thereof without prior written consent of HUD. Notwithstanding the foregoing, HUD hereby authorizes (a) leases in the normal operation of the Project, (b) subordinate liens contemplated by a RAD Conversion Commitment executed in connection with the Project, whether such liens are recorded concurrent with the recordation of this Use Agreement or recorded subsequent hereto (such as permanent financing to replace construction-period financing), and (c) conveyance or dedication of land for use as streets, alleys, or other public rights-of-way and grants and easements for the establishment, operation and maintenance of public utilities. Except as otherwise approved in writing by HUD, any lien on the Project and/or Property shall be subject and subordinate to this Agreement. Unless this Agreement is released by HUD, any transferee of the Project and/or Property shall take title subject to this Agreement. In the event of a default

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under the RAD HAP contract including, without limitation, upon any transfer of the Property or Project without HUD consent, upon expiration of any applicable notice and/or cure periods, HUD may transfer the RAD HAP contract and the rental assistance contemplated therein to another entity and/or Property and/or Project. The Project Owner has constituted HUD as its attorney-in-fact to effect any such transfer.

8. Amendment or Release. This Agreement may not be amended without HUD consent. This Agreement shall remain as an encumbrance against the Property unless and until HUD executes a release for recording. This Agreement may only be released by HUD in its sole discretion. In the event that the RAD HAP is, in accordance with all applicable laws and RAD program requirements, not renewed or replaced, HUD shall not unreasonably fail to provide such a release upon the completion of the applicable term of this Agreement.

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. Conflicts. Any conflicts between this Agreement and the RAD HAP contract or any other applicable HUD program requirements shall be conclusively resolved by the Secretary.

12. Execution of Other Agreements. The Project Owner and, if a party hereto, the PHA, agrees that it has not and will not execute any other agreement with provisions contradictory to, 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 Project Owner and, if a party hereto, the PHA, agrees to execute modifications to this Agreement that are needed to conform to the statutory amendments. At HUD's option, HUD may implement any such statutory amendment through rulemaking.

14. Lender Provisions.

- A. Nothing in this Agreement prohibits any holder of a mortgage or other lien against the Property or Project 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. Any lien holder 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. The Notice to HUD may be personally delivered or sent by U.S. certified or registered mail, return receipt requested, first class postage prepaid, addressed as follows:

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U.S. Department of Housing and Urban Development
451 7th Street SW, Room 9100
Washington, DC 20410
Attention: Office of the Assistant Secretary for Housing - Rental Assistance
Demonstration

B. Notwithstanding any lien holder's foreclosure rights, this Agreement survives foreclosure and any new owners of the Property or the Project take ownership subject to this Agreement.

C. Transfer of title to the Property or the Project may be grounds for termination of assistance under the RAD HAP contract. However, HUD may permit, through prior written consent by HUD, the new owner of the Property or the Project to assume the RAD 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 the RAD Statute and other RAD program requirements.

D. 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 RAD 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.

15. **Successors and Assigns.** This Agreement shall be binding upon the Project Owner and, if a party hereto, the PHA, and all future successors and assigns of either with respect to any portion of the Property or the Project.

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In Witness Whereof, these declarations are made as of the first date written above.

Department of Housing and Urban Development

By: Thomas R. Davis

Name: Thomas R. Davis

Title: Director, Office of Recapitalization

Date: 3-8-18

District of Columbia)
) ss:
)

Before me, Simon Tamale Tyaba, a Notary Public in and for the District of Columbia on this 8th day of MARCH, 2018, personally appeared Thomas R. Davis, Director of the Office of Recapitalization, who is personally known to me to be the person who executed the foregoing instrument by virtue of the authority vested in him by the Department of Housing and Urban Development, and 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.

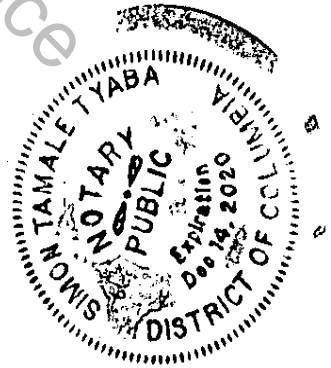
Witness my hand and official seal this 8th day of MARCH, 2018.

(Seal)

Simon Tamale Tyaba (Notary Public)

My commission expires 12/14/2020, 20

DISTRICT OF COLUMBIA: SS
SUBSCRIBED AND SWORN TO BEFORE ME
THIS 8th DAY OF MARCH, 2018.
Simon Tamale Tyaba
NOTARY PUBLIC
My Commission Expires 12/14/2020



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PHA:

HOUSING AUTHORITY OF COOK COUNTY,
an Illinois municipal corporation

By: *Richard J. Monocchio*
Richard J. Monocchio, Executive Director

STATE OF ILLINOIS)
)SS.
COUNTY OF COOK)

I, DEBORAH A KYKER a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Richard I. Monocchio, the Executive Director of the **Housing Authority of Cook County**, an Illinois municipal corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Executive Director, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said municipal corporation, for the uses purposes therein set forth.

GIVEN under my hand and official seal this 7TH day of MARCH, 2018.



Deborah A. Kyker
Notary Public

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EXHIBIT A – Property Subject to this RAD Use Agreement

TRACT 1:

The leasehold estate or interest in the land described below and covered herein is:

PARCEL 1:

LOTS 17 TO 30, BOTH INCLUSIVE, IN BLOCK 5 IN W. L. DEWOLF'S SUBDIVISION OF PARTS OF SECTIONS 1 AND 2, TOWNSHIP 36 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 13, 1911 AS DOCUMENT NUMBER 4882971, IN COOK COUNTY, ILLINOIS.

ALSO

THAT PART OF A PUBLIC ALLEY IN W.L. DEWOLF'S SUBDIVISION OF PARTS OF SECTIONS 1 AND 2, TOWNSHIP 36 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 13, 1911 AS DOCUMENT NUMBER 4882971; LYING EAST AND SOUTH OF LOTS 29 AND 30; WEST AND SOUTH OF LOTS 17 AND 18; AND LYING NORTHERLY OF LOTS 19 THROUGH 28, INCLUSIVE, IN SAID W.L. DEWOLF'S SUBDIVISION, IN COOK COUNTY, ILLINOIS.

PARCEL 2:

THAT PART OF THE NORTH 10 ACRES, OF THE SOUTH HALF, OF THE NORTHWEST QUARTER, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF THE NORTH TEN (10) ACRES OF THAT PART OF THE SOUTH HALF (1/2), OF THE NORTHWEST QUARTER (1/4), LYING EASTERLY OF VINCENNES ROAD, IN SECTION 18, TOWNSHIP 36 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, 1174.15 FEET EAST OF THE EAST LINE OF DIXIE HIGHWAY, WHICH SOUTH LINE OF SAID NORTH 10 ACRES IS ON A LINE EAST 89 DEGREES 59 MINUTES 8 SECONDS SOUTH, SAID POINT OF BEGINNING BEING 330.00 FEET WEST OF THE EAST LINE OF SAID NORTHWEST QUARTER (1/4), ACCORDING TO TRUSTEE'S DEED RECORDED AS DOCUMENT NUMBER 3139325; THENCE, FROM SAID POINT OF BEGINNING, NORTH 28 DEGREES 02 MINUTES 05 SECONDS EAST, ALONG A LINE WHICH, IF EXTENDED NORTHEAST, INTERSECTS A LINE 33 FEET WEST OF THE EAST LINE OF SAID NORTHWEST QUARTER, AT A POINT THAT MEASURES 1007.01 FEET FROM A POINT 33 FEET SOUTH, AND 33 FEET WEST, OF THE NORTHEAST CORNER OF SAID NORTHWEST QUARTER, TO THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST QUARTER (1/4), OF THE NORTHWEST QUARTER (1/4), OF SAID SECTION 18; THENCE EAST ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER (1/4), OF THE NORTHWEST QUARTER (1/4) OF SAID SECTION 18, TO THE EAST LINE OF THE NORTHEAST QUARTER (1/4), OF THE NORTHWEST QUARTER (1/4), OF SAID SECTION 18; THENCE SOUTH ALONG THE EAST LINE OF THE NORTHWEST QUARTER (1/4), OF SAID SECTION 18, TO THE INTERSECTION OF THE SOUTH LINE OF THE NORTH 10 ACRES, OF THAT PART OF THE SOUTH HALF OF THE NORTHWEST QUARTER, LYING EASTERLY OF VINCENNES ROAD IN SAID SECTION 18; THENCE WEST ALONG SAID SOUTH LINE OF THE NORTH 10 ACRES, TO THE POINT OF BEGINNING (EXCEPT THE EAST 33 FEET THEREOF DEDICATED FOR ROBEY STREET).

TRACT 2:

FEE SIMPLE OWNERSHIP OF ALL BUILDINGS AND IMPROVEMENTS LOCATED, OR TO BE LOCATED ON THE LAND DESCRIBED AS TRACT 1.

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Commonly known as: 3210 W 139th Street, Robbins, IL 60472 as to Parcel 1; and 15306 Robey Avenue, Harvey, Illinois as to Parcel 2

PINS:

- 28-02-230-017-0000 (PORTION PARCEL 1)
- 28-02-230-018-0000 (PORTION PARCEL 1)
- 28-02-230-047-0000 (PORTION PARCEL 1)
- 28-02-230-048-0000 (PORTION PARCEL 1)
- 28-02-230-049-0000 (PORTION PARCEL 1)
- 29-18-108-005-0000 (AFFECTS PARCEL 2)
- 29-18-108-011-0000 (AFFECTS PARCEL 2)

Property of Cook County Clerk's Office