



Doc# 2005941023 Fee \$88.00

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EDWARD M. MOODY

COOK COUNTY RECORDER OF DEEDS

DATE: 02/28/2020 09:59 AM PG: 1 OF 9

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RETENTION / RECAPTURE AGREEMENT FOR RENTAL PROJECTS

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THIS AGREEMENT is entered into this 12<sup>th</sup> day of September, 2019 among Community Investment Corporation (the "Member"), and The Resurrection Project (the "Sponsor"), and Casa Hotel, LLC (the "Owner"). For projects using Low Income Housing Tax Credits, the Owner will be a (State) limited partnership or limited liability company. The Member, the Sponsor, and the Owner are each a "Party" to this agreement, and are jointly referred to as the "Parties."

RECITALS:

A. Pursuant to Section 721 of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA"), the Federal Housing Finance Agency ("FHFA") is required to cause each Federal Home Loan Bank ("FHLBank") to establish an affordable housing program ("AHP") to assist members of each FHLBank to finance affordable housing for very-low-, low-, and moderate-income households.

B. The Member is a member of the Federal Home Loan Bank of Chicago ("FHLBC") and submitted an application dated June 14, 2018 (the "Application") for an AHP grant for the purchase, construction, or rehabilitation of property commonly known as Casa Del Sol and located at 2008 South Blue Island Ave. Chicago, IL 60608 (the "Project"). The Owner and Sponsor each have an ownership interest in the Project.

C. Pursuant to regulations (including, without limitation, those contained in 12 CFR Part 1291) promulgated by the FHFA pursuant to FIRREA (the "AHP Regulations"), members of each FHLBank are required to provide for the repayment of any subsidized advances or other subsidized assistance in connection with unused or improperly used AHP subsidies.

D. In connection with the AHP grant, the Member entered into that certain Affordable Housing Program Subsidy Agreement ("Subsidy Agreement") dated November 14<sup>th</sup>, 2018 with the FHLBC and the Sponsor, pursuant to which the Member and the Sponsor agreed to be bound by the AHP Regulations and to perform certain monitoring functions with respect to the Grant (defined below).

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E. The Parties desire to set forth the nature and duration of the income-eligibility and affordability restrictions associated with the Project.

F. The Parties desire to set forth, *inter alia*, those circumstances under which the Member shall be entitled to a recapture of Grant funds from either the Sponsor or the Owner in connection with the Grant to the Sponsor for the purchase, construction, or rehabilitation of the Project.

## AGREEMENTS

1. Subsidy Amount. The Parties hereby acknowledge and agree that the Member has, on even date herewith, disbursed the proceeds of an AHP grant to the Sponsor and/or the Owner in the amount of \$ 750,000 (the "Grant").

2. Compliance and Term. The Sponsor and the Owner shall, at all times, comply with all laws, rules, and regulations (including, without limitation, the AHP Regulations), and with the provisions contained in the Application and in the Subsidy Agreement as they relate to the construction, ownership, management, and operation of the Project. The term, during which the Sponsor and the Owner must comply with the AHP Regulations to qualify and maintain the Grant, is fifteen (15) years from the date of project completion, at which time this Agreement shall terminate (the "Retention Period").

3. Affordability Restrictions. The Sponsor and the Owner agree, during the Retention Period, to manage and operate the Project as rental housing for very-low-, low-, and/or moderate-income households. [For purposes of this Agreement, very-low-income households shall mean households whose annual income is 50% or less of area median income, low-income households shall mean households whose annual income is 60% or less of area median income, and moderate-income households shall mean households whose annual income is 80% or less of area median income, as determined from time to time by the U.S. Department of Housing and Urban Development ("HUD"), the AHP Regulations, or as further provided in federal regulations.] [This Project serves households that are eligible for assistance from a Tribally Designated Housing Entity, and therefore, for purposes of this Agreement, very-low-income households shall mean households whose annual income is 50% or less of area median income, low-income households shall mean households whose annual income is 60% or less of area median income, and moderate-income households shall mean households whose annual income is 80% or less of area median income, where area median income is either as determined from time to time by the U.S. Department of Housing and Urban Development ("HUD") or as provided for in the Native American Housing Assistance and Self-Determination Act ("NAHASDA") income guidelines, whichever is greater.] The Sponsor and the Owner agree to make 32 of the units affordable for and occupied by very-low-income households, 0 of the units affordable for and occupied by low-income households, and 20 units affordable for and occupied by moderate-income households during the term of the Retention Period.

4. Notice of Sale or Refinancing. The Member and the FHLBC shall be given notice by the Sponsor and/or the Owner of any sale or refinancing of the Project occurring prior to the end of the Retention Period.

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5. Sale or Refinancing of the Project. If the Project is sold or refinanced prior to the end of the Retention Period, the Sponsor and/or the Owner must repay to the FHLBC an amount equal to the full amount of the Grant, unless the Project continues to be subject, for the duration of the Retention Period, to a deed restriction or other mechanism incorporating the income-eligibility and affordability restrictions committed to in the Application.

6. Foreclosure. The income-eligibility and affordability restrictions applicable to the Project terminate after foreclosure on the Project.

7. Compliance Documentation. The Sponsor and the Owner shall provide to the Member any information regarding the Project and use of the Grant pursuant to the AHP Regulations, as amended from time to time, and as required by the FHLBC.

8. Breach of Affordability or Reporting Requirements; Breach by Owner.

(a) In the event that the Sponsor and/or the Owner, at any time during the term of the Grant, defaults in its obligation to manage and operate the Project and/or to provide compliance information as required pursuant to Section 7 above, or otherwise fails to comply with the terms of this Agreement or the Application, and such default continues for a period of sixty (60) days after notice to the Sponsor and/or the Owner from the Member, or such shorter period of time required to avoid a default by the Member under the Subsidy Agreement, it shall be an Event of Default of this Agreement, and the Sponsor and the Owner shall immediately pay the Member that portion of the Grant which the Member may be required to repay to the FHLBC.

(b) The Sponsor and/or the Owner shall repay to the Member that portion of the Grant, including interest, if appropriate, that, as a result of their respective actions or omissions, is not used in compliance with the terms of the Application or the requirements of the AHP Regulations, unless such noncompliance is cured by the Sponsor and/or the Owner within a reasonable period of time, or the circumstances of noncompliance are eliminated through a modification of the Application, pursuant to the AHP Regulations.

9. Indemnification and Survival. The Sponsor and the Owner hereby agree to fully and unconditionally indemnify, defend, and hold harmless the Member from and against any judgments, losses, repayment, liabilities, damages (including consequential damages), costs, expenses of whatsoever kind or nature, including, without limitation, attorneys' fees, expert witness fees, and any other professional fees and litigation expenses, or other obligations incurred by the Member that may arise in any manner out of actions or omissions which result from the Sponsor's or the Owner's performance or failure to perform pursuant to the terms of this Agreement. The representations, warranties, obligations, and indemnification of the Sponsor and the Owner shall survive the term of this Agreement.

10. Notices. Notices, reports, and communications hereunder shall be in writing and shall be deemed to be properly given when personally delivered to the Party entitled to receive the notice, or three (3) days after the same is sent by certified or registered U.S. mail, postage prepaid, or by overnight courier properly addressed to the Party entitled to receive such notice at the addresses below; provided that recurring reports, certifications, and ordinary communications shall be permitted to be transmitted electronically via facsimile. Any Party may, at any time, give notice

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in writing to the other Parties of a change of its address for the purpose of this Section 10.

If to the Member: Community Investment Corporation  
222 South Riverside Plaza, Suite 380  
Chicago, IL 60606  
Phone: 312-258-0070  
Fax: 312-258-8888  
Attention:

If to the Sponsor: The Resurrection Project  
1805 South Paulina Street  
Chicago, IL 60608  
Phone: 312-666-1323  
Attention: Asset Management

If to the Owner: Casa Hotel, LLC  
1805 South Paulina Street  
Chicago, IL 60608  
Phone: 312-666-1323  
Attention:

If to the FHLBC: Federal Home Loan Bank of Chicago  
200 East Randolph Drive  
Chicago, Illinois 60601  
Phone: 312-565-5824  
Fax: 312-565-6947  
Attention: Community Investment Department

11. Certifications. The Sponsor and the Owner hereby certify to the Member as follows:

(a) All the units in the Project will be open to income-qualified households without regard to sex, race, creed, religion, sexual orientation, or type or degree of disability.

(b) The Grant shall only be for uses authorized under Part 1291 of the AHP Regulations.

12. Joint and Several. The obligations of the Sponsor and the Owner hereunder are joint and several.

[SIGNATURES ON NEXT PAGE]

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Executed and delivered as of the date first above written.

[Signature]  
Name of the Member

The Resurrection Project  
Name of the Sponsor

By: [Signature]

By: [Signature]

Its: Senior Vice President

Its: Chief Executive Officer

Casa Hotel, LLC  
Name of the Owner

By: [Signature]

Its: CEO of Sole Member

PROPERTY

Cook County Clerk's Office

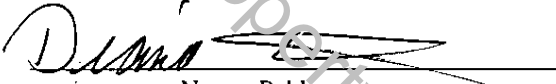


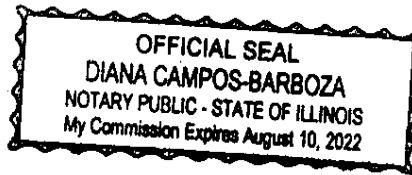
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STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF COOK            )

I, Diana Campos-Barboza, a notary public in and for said County, in the State aforesaid, do hereby certify that Raul Raymundo, personally known to me to be the Chief Executive Officer of The Resurrection Project, an Illinois not-for-profit corporation, the sole member of Casa Hotel, LLC, an Illinois limited liability company, (the "Owner"), 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 acknowledged that he signed and delivered the said instrument as the free and voluntary act of the corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 12<sup>th</sup> day of September 2019.

  
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Notary Public



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STATE OF ILLINOIS

COUNTY OF COOK

I, Vivian Bouza, Notary Public of the County and State aforesaid, certify that Jack Crane, personally known to me to be a Senior V.P. of Community Investment Corporation, and personally known to me to be the same person whose name is subscribed on the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Senior V.P. of said Corporation, (s)he signed and delivered said instrument and caused the corporate seal of said Corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said Corporation, as the free and voluntary act and as the free and voluntary act of said Corporation for purposes therein set forth.

Witness my hand and official stamp or seal, this 12 day of September, 2019.



Vivian Bouza  
 Notary Public

My commission expires:

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**EXHIBIT A**  
**LEGAL DESCRIPTION**

**LOTS 25 AND 26 IN LARNED AND WALKER'S SUBDIVISION OF BLOCK 12 IN JOHNSTON AND LEE'S SUBDIVISION OF THE SOUTHWEST ¼ OF SECTION 20, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.**

**PROPERTY COMMONLY KNOWN AS: 2008 S. BLUE ISLAND AVENUE, CHICAGO, IL 60608**

**PERMANENT INDEX NUMBER(S): 17-20-318-024-0000**

**THIS DOCUMENT PREPARED BY AND AFTER RECORDING RETURN TO:**

**COMMUNITY INVESTMENT CORPORATION  
ATTN: SILVIA PRADO  
222 SOUTH RIVERSIDE PLAZA, SUITE 380  
CHICAGO, ILLINOIS 60606 -- (312) 258-0070**

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