

Capital Advance Program
Use Agreement

U.S. Department of Housing
and Urban Development
Office of Housing
Federal Housing Commissioner

208478
For Section 202 of the Housing Act of 1959 or
Section 811 of the National Affordable Housing Act

OMB Approval No 2502-0470 (exp. 12/31/93)

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This Agreement made the 1st day of October, 1996, by and between the United States of America, Secretary of Housing and Urban Development (hereinafter called "HUD") and CASL Housing Corporation, a private nonprofit corporation, organized and existing under and by virtue of the laws of the State of Illinois (hereinafter called the "Owner"), provides as follows:

Whereas, the Owner and HUD have entered into a Capital Advance Agreement to assist in financing a rental housing project to house elderly persons or persons with disabilities, (hereinafter called "persons"), in accordance with Section 202 of the Housing Act of 1959 or Section 811 of the National Affordable Housing Act and the applicable regulations;

Whereas, HUD through the Capital Advance Agreement has provided funding for the Project identified as project number 071-EE039, financed with a Note and Mortgage (Deed of Trust), dated October 1, 1996 and covering real property as described in Exhibit "A" attached hereto, which Mortgage was recorded in the Recorder's Office of Cook County on October 9, 1996 as Instrument 96772655, Book _____, Page _____;

Whereas, The Project is subject to a Regulatory Agreement, dated October 1, 1996 and recorded on October 9, 1996 in the Recorder's Office of Cook County as document number 96772656, Book _____, Page _____;

Whereas, pursuant to section 202 of the Housing Act of 1959 (elderly projects) or section 811 of the National Affordable Housing Act (disabled projects) and the corresponding regulations, in exchange for HUD's agreement to provide capital advance financing and project rental assistance payments, the Owner has agreed to continue to operate the Project only as rental housing for very low income elderly or disabled persons for not less than 40 years from April 1, 1998, 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:

- Definitions.** All terms used in this Agreement have the same meaning as set forth in the definitions in 24 CFR Part 889 or 890.
- Term.** This Agreement shall remain in effect for not less than 40 years from April 1, 1998, unless otherwise approved by HUD.
- Use Restriction.** The Project shall be used solely as rental housing for very-low income elderly or disabled persons.
- Transfer.** 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 property and refrain from transferring, conveying, assigning, leasing, mortgaging, pledging, or otherwise encumbering or permitting or suffering any transfer, conveyance assignment, lease, mortgage, pledge or other encumbrance of said property or any part thereof without the release of said covenants by HUD. The Owner has constituted HUD as its attorney-in-fact to transfer the project to another private nonprofit corporation in the event of default under the Capital Advance Agreement or the Regulatory Agreement. The Owner may transfer the Project during the term of this Agreement only with the prior written approval of HUD, and any such grantee shall assume the obligations under this Agreement as a condition of any transfer. In any event, this Agreement shall be binding upon the Owner's successors and assigns.
- 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 Project shall be effective to release such property from the restrictive

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2400

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covenants hereby created.

6. **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, or the Secretary or his or her successors or delegates, may institute proper legal action to enforce perfor-

mance 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.

7. **Severability.** The invalidity, in whole or in part, of any of the provisions set forth above shall not affect or invalidate any remaining provisions.

In Witness Whereof, HUD and the Owner by its officers thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this 1st day of October, 1996

(Seal)

Attest:

Name of Owner: CASL Housing Corporation

Secretary

By: (President)

Siemanda Wong

[Signature]

United States of America Secretary of Housing and Urban Development

or

Title:

Eward [Signature]

Dir, MF Housing

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State of _____)

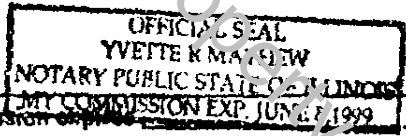
County of _____)

ss:

Before me, Yvette R. Matlew a Notary Public in and for said State,

on this 1st day of October, 1996, personally appeared Edward Benjamin who is personally well known to me to be the Secretary of HUD, and the person who executed the foregoing instrument by virtue of the authority vested in him by section 202 of the Housing Act of 1959 or section 811 of the National Affordable Housing Act, and I having first made known to him the contents thereof, 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 1st day of October, 1996

(Seal)  (Notary Public)
My commission expires _____, 19____


State of Illinois)

County of Cook)

ss:

On this 2nd day of October, 1996, before me residing therein, duly commissioned and sworn personally appeared Bernarda Wong, a Notary Public in and for said county and State, proved to me on the basis of satisfactory evidence to be the Secretary of CASH Housing Corporation, the executed the within instrument and acknowledged to me that such officer executed the same

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

(Seal) Sarah L. Ware (Notary Public) 
My commission expires _____, 19____


State of Illinois)

County of Cook)

ss:

On this 2nd day of October, 1996, before me residing therein, duly commissioned and sworn personally appeared Raymond M. Chin, a Notary Public in and for said county and State, proved to me on the basis of satisfactory evidence to be the President of CASH Housing Corporation, the executed the within instrument and acknowledged to me that such officer executed the same

In Witness Whereof, I have hereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

(Seal) Sarah L. Ware (Notary Public) 
My commission expires _____, 19____

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LEGAL DESCRIPTION

Lot 3 in Jade Garden Unit II, being a subdivision in the East Fraction of the Southeast Fraction of the Southeast Fractional 1/4 of Section 21, Township 39 North, Range 14 East of the Third Principal Meridian, according to the plat thereof recorded in the Recorder's Office of Cook County, Illinois on December 6, 1995 as Document No. 95-849665., in Cook County Illinois.

PIN 17-21-508-039
17-21-508-043
17-21-508-046

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Exhibit A

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