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Capital Advance Program Use Agreement

207979

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

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 January, 19 97, by and between the United States of America, Secretary of Housing and Urban Development (hereinafter called "HUD") and Lawrence Senior 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-EE044, financed with a Note and Mortgage (Deed of Trust), dated January 1, 1997 and covering real property as described in Exhibit "A" attached hereto, which Mortgage was recorded in the Recorder's Office of Cook County on January 15, 1997 as Instrument 97033340, Book _____, Page _____;

Whereas, The Project is subject to a Regulatory Agreement, dated January 1, 1997 and recorded on January 15, 1997 in the Recorder's Office of Cook County as document number 97033341, Book _____, Page _____ $+ \frac{25}{22} = 47$

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 November 1, 1998, unless otherwise approved by HUD 8

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

1. **Definitions.** All terms used in this Agreement have the same meaning as set forth in the definitions in 24 CFR Part 889 or 890.
2. **Term.** This Agreement shall remain in effect for not less than 40 years from November 1, 1998, unless otherwise approved by HUD.
3. **Use Restriction.** The Project shall be used solely as rental housing for very-low income elderly or disabled persons.
4. **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.
5. **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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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 2nd day of January, 1997

(Seal)

Attest:

Name of Owner: Lawrence Senior Housing Corporation

Secretary:

By: (President)

William J. D'Arcy

Rev. Michael M. Bohan

United States of America Secretary of Housing and Urban Development

By:

Title:

Emanuel Hrabek

Director MF Housing

COOK COUNTY RECORDER

66482 J J * -97-033342

145555 TRAN 9405 01/15/97 15:27:00

DEPT-01 RECORDING \$25.00

DEPT-10 PENALTY

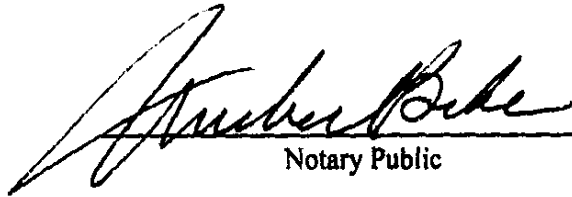
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STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

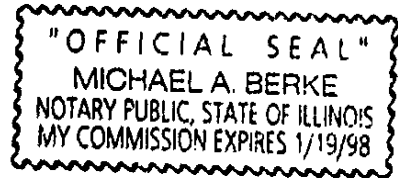
On this 15 day of JANUARY, 19 97, before me appeared Edward Hinsabala, who, being duly sworn, did say that he is the duly appointed Authorized Agent and the person who executed the foregoing instrument by virtue of the authority vested in him and acknowledged the same to be his free and voluntary act and deed as Authorized Agent for and on behalf of the SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal on the day and year last above written.


Notary Public

(Seal)

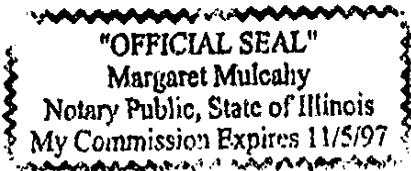
My Commission Expires 1/19/98

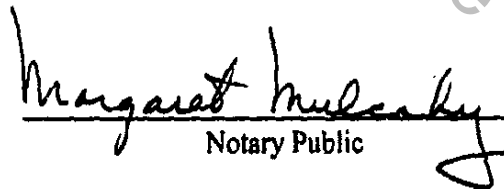


STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, Margaret Mulcahy, a Notary Public, in and for said County, in the State aforesaid, do hereby certify that Rev. Michael Boland and William H. D'Arcy, proved to me on the basis of satisfactory evidence to be the President and Secretary of Lawrence Senior Housing Corporation, a corporation of the State of Illinois, appeared before me in person, subscribed to the foregoing instrument, and severally acknowledged that they, being thereunto duly authorized, signed, sealed and delivered the said instrument as the free and voluntary act of said corporation and as their own free and voluntary act, for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal on the day and year last above written.




Notary Public

(Seal)

My Commission Expires 11-05-97

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Property of Cook County Clerk's Office

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LEGAL DESCRIPTION

Lot 47 in S/W Corporate Park Subdivision Phase Three being a Subdivision of part of the Southeast Quarter of Section 21, Township 35 North, Range 13 East of the Third Principal Meridian, according to the Plat thereof recorded as document number 96717244, in Cook County, Illinois.

Property Index Number 31-21-401-013 Vol. 179

Common Address of Property: 21425 Southwick Drive, Matteson, Illinois 60443

Property of Cook County Clerk's Office

Exhibit A

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