

Prepared By & After Recording Return to:

Attorney John C. Banbury
City of Aurora Law Department
44 East Downer Place
Aurora, IL 60507

<p>For Recorder's Use Only</p>

STATE OF ILLINOIS)
) SS
COUNTY OF KANE)

**AGREEMENT BETWEEN CITY OF AURORA (COA) AND
PURCHASER/MORTGAGOR OF NSP PROPERTY**

This Agreement is made by and between the City of Aurora (“COA”) and the purchaser/mortgagor (“OWNER”) of Real Property (“PROPERTY”) legally described in Exhibit “A” attached hereto.

WHEREAS, the PROPERTY was acquired by COA with funds allocated to the COA by the United States Housing and Urban Development Department (“HUD”) under its Neighborhood Stabilization Program (“NSP”); and

WHEREAS, there are Use Restrictions applicable to the property, the compliance with by the OWNER are conditions of the sale of the property to the OWNER; and

WHEREAS, the COA has agreed to loan funds to OWNER in order that OWNER be able to complete the purchase of the PROPERTY. OWNER agrees that the City loaned funds are not to be used as a downpayment and that the City requires Owner to pay a downpayment in a minimum amount of 3.5% of the purchase price and further that a Junior Mortgage will be

recorded against the Property to secure compliance with the terms of this Agreement and with the Use Restrictions and repayment of the loan.

NOW THEREFORE, in consideration of the above, and the sale and purchase of the Property by COA to Owner and for other good and valuable and legal consideration the receipt of which is hereby acknowledged, the parties hereto agree as follows:

- A. Acceptance of Deed as Acceptance of Restrictions – The acceptance of a deed to the Property by OWNER shall be deemed to be and shall constitute an acceptance of all of the terms, conditions, limitations, restrictions and uses of the Property as set forth in this Agreement including the obligation to repay to the COA funds loaned to OWNER.
- B. General Use Restriction on Property – The Property will be used as the OWNER's primary residence. The Property at all times during the term of the loan shall remain a single family owner occupied dwelling and the Property must be maintained in accordance with COA Building and Property Maintenance Codes.
- C. Notice to COA of Conveyance – There shall be no sale, lease, transfer or refinance of the Property without first notifying the COA of the intended sale, transfer or refinance in writing addressed to City of Aurora, Neighborhood Redevelopment Division Manager, 44 E. Downer Place, Aurora IL 60507 at least 30 days prior to any sale or transfer and after said written notice upon written approval of the COA. There shall be no cash out refinancing of any initial mortgage to owner or subsequent eligible transferee without COA approval. Refinance to reduce the interest rate of the first mortgage shall be allowed following COA approval.
- D. Loan by COA. Owner agrees to provide a downpayment in a minimum amount of at least 3.5% of the purchase price. COA will loan funds to the Owner which funds are not to be used for the 3.5% downpayment provided by the Owner for the purchase of the property.
- E. Repayment of Loan to COA – If the property is sold, leased, transferred, refinanced or there is a violation of the General Use Restrictions as set forth in Section B above, the loan shall be repaid to the COA.
- F. Verification of Residence and Use of Property – Owner and transferee agree to cooperate with COA and supply any information required by COA to verify compliance with the terms of this Agreement.
- G. Partial Invalidity – It is expressly understood and agreed that if any covenant or condition, restriction or provision contained in this instrument, or any portion of any such covenant, condition, restriction or provision, is held by a court of competent jurisdiction to be invalid or void, such invalidity or voidness shall in no way affect any other covenant, condition, restriction or provision contained in this instrument.

COUNTY OF KANE)

I, the undersigned, a Notary Public in and for the County and State aforesaid, **DO HEREBY CERTIFY**, that **Thomas J. Weisner**, personally known to me to be the **Mayor** of the **City of Aurora, Illinois, a municipal corporation**, and **Cheryl Vonhoff**, personally known to me to be the **City Clerk** of said corporation, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such **Mayor** and **City Clerk**, they signed and delivered the said instrument and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the **City Council** of said corporation, as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this _____ day of _____, 2011.

IMPRESS SEAL HERE

Notary Public

My commission expires on:

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