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**Capital Advance Program
Use Agreement**

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

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

OMB Approval No. 2502-0470 (exp. 01/31/2006)

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Do not send this form to the above address.

This information collection is necessary to ensure that viable projects are developed. It is important to obtain information from applicants to assist HUD in determining if nonprofit organizations initially funded continue to have the financial and administrative capacity needed to develop a project and that the project design meets the needs of the residents. The Department will use this information to determine if the projects meet statutory requirements, ensuring the continued marketability of the projects. This information is required in order to obtain benefits. This information is considered non-sensitive and no assurance of confidentiality is provided.

This Agreement made the 3rd day of September, 2009, by and between the United States of America, Secretary of Housing and Urban Development (hereinafter called "HUD") and Bell Tower North, Inc. a private nonprofit corporation, organized and existing under and by virtue of the laws of the State of Indiana (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 073-HD085, financed with a Note and Mortgage (Deed of Trust), dated 9/3/09 and covering real property as described in Exhibit "A" attached hereto, which Mortgage was recorded in the Recorder's Office of Lake County on _____, as Instrument _____, Book _____, Page _____;

Whereas, The Project is subject to a Regulatory Agreement, dated 9/3/09 and recorded on _____ in the Recorder's Office of Lake County as document number _____, 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 August 1, 2010, 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 August 1, 2010, 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 access 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 covenants hereby created.
- 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 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.
- Severability.** The invalidity, in whole or in part, of any of the provisions set forth above shall not affect or invalidate any remaining provisions.

NOT OFFICIAL!
This Document is the property of
the Lake County Recorder!

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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 3rd day of September, 2009.

(Seal)

Attest:

<i>Sharon a Cambridge</i> Secretary:	Name of Owner: Bell Tower North, Inc.
	By: (President) <i>Sherry Oman</i> Sherry Oman
By: <i>Eileen R. Mitcheltree</i>	United States of America, Secretary of Housing and Urban Development Title: Eileen R. Mitcheltree, Director Indianapolis Multifamily Program Center

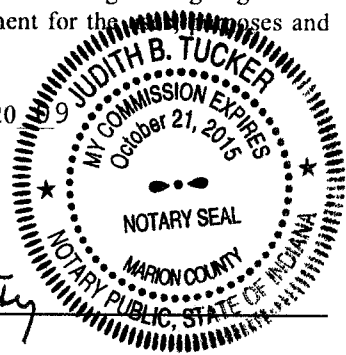


State or)
INDIANA)
County of)
MARION) . ss:
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Before me, Judith B. Tucker, a Notary Public in and for said State,
on this 28th day of August, 2009,
personally appeared Eileen R. Mitchellree,
who is personally well known to me to be the Multi-family Housing Director, 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 purposes and
considerations therein set forth.

Witness my hand and official seal this 28th day of September August, 2009,
(Seal)

Judith B. Tucker (Notary Public)
My commission expires Oct 21, 2015. Resident of Marion County



State or)
County of) . ss:
)

On this _____ day of _____, 20____, before me residing therein, duly commissioned and
sworn, personally appeared _____, a Notary Public in and for said county and State,
proved to me on the basis of satisfactory evidence to be the Secretary of _____, that
executed the within instrument and acknowledged to me that such _____ 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)

(Notary Public)
My commission expires _____, 20____.

State or)
INDIANA)
County of)
LAKE) . ss:
)

On this 31st day of August, 2009, before me residing therein, duly commis-
sioned and sworn, personally appeared Sherry Oman, a Notary Public in and for said county and State,
proved to me on the basis of satisfactory evidence to be the President of Bell Tower North, Inc.,
that executed the within instrument and acknowledged to me that such Sherry Oman 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)

Sharon A. Banbridge (Notary Public)
My commission expires 1-10, 2016.



EXHIBIT A

Lot 2 in Bell Tower, an Addition to the City of Hobart, Lake County, Indiana, as per plat thereof recorded in Plat Book 103, page 65, as amended by Plat of Amendment Bell Tower, an Addition to the City of Hobart, Lake County, Indiana, as per plat thereof recorded in Plat Book 103, page 96, in the Office of the Recorder of Lake County, Indiana.



EXHIBIT A