

set forth in Subsection II.A.6.

**5. Senior Living Requirement.** For forty (40) years from the date (as set forth in the Note) that the twelve (12) units financed by the City are available for rent and placed in service ("PIS Date") ("Affordability Term"), Developer shall limit occupancy of these twelve (12) HOME units on the Property to occupants 55 years of age or older as established in the Developer's Tenant Selection Plan attached as **Exhibit N** with incomes at or below Fifty Percent (50%) of the Chicago-Joliet-Naperville Area Median Income, provided, however, that, at any time after twenty (20) years from the PIS Date, if: (i) the affordability restrictions under the Illinois Housing Development Authority ("IHDA") Low-Income Housing Extended Use Agreement between IHDA and Developer ("Extended Use") terminate, and (ii) the Developer is no longer receiving a "Project Based Section 8" subsidy ("Rental Subsidy"), Developer shall provide the City with written notice of the occurrence of these two (2) conditions, and upon concurrence by the City with the determination that these two (2) conditions have been met, the Affordability Term shall terminate at the date agreed upon by the City and the Developer, which in no event shall be less than twenty (20) years from the PIS Date subject to the right of the senior lenders to foreclose. Pursuant to 24 C.F.R. § 92.254 (a)(5)(i)(A), the Affordability Term also will terminate upon foreclosure or a deed in lieu thereof.

**6. Repayment.** The Developer shall repay the City the amount of the Project Commitment paid by the City to the Developer pursuant to this Agreement ("Paid Commitment") as follows:

- a. Should the twelve (12) HOME units not be occupied within twelve (12) months from the PIS Date, a marketing plan, at the Developer's cost, shall be submitted to the City.
- b. Should the twelve (12) HOME units never have been leased within eighteen months of receiving a certificate of occupancy, immediate repayment of the Paid Commitment by the Developer to the City shall be made by Developer.
- c. The Developer shall repay the City the Paid Commitment by a balloon payment to be made not less than forty (40) years from the PIS Date ("Repayment Term").
- d. The Paid Commitment shall be a non-amortizing loan and shall not require annual payments.
- e. The Paid Commitment shall earn interest in favor of the City at a rate of One Percent (1%), compounding.