



**REINSTATEMENT AND FIRST AMENDMENT TO AGREEMENT BETWEEN BROWARD COUNTY AND CITY OF LAUDERHILL PROVIDING FOR DISBURSEMENT OF HOME PROGRAM FUNDS FOR PURCHASE ASSISTANCE PROGRAM FOR FISCAL YEAR 2020-2021**

This Reinstatement and First Amendment (“Amendment”) is entered into by and between Broward County, a political subdivision of the State of Florida (“County”), and City of Lauderhill, a municipal corporation of the State of Florida (“City”) (collectively referred to as the “Parties”).

**RECITALS**

A. At its December 8, 2020, meeting (Agenda Item No. 15), the Broward County Board of County Commissioners authorized HOME Investment Partnerships Program (“HOME”) funding to City.

B. The Parties entered into the Agreement between Broward County and City of Lauderhill Providing for Disbursement of HOME Program Funds for Purchase Assistance Program for Fiscal Year 2020-2021, dated March 29, 2021 (the “Agreement”), to provide funding to City for a purchase assistance program.

C. The Agreement expired on September 30, 2022, and City has requested, and County has agreed, that it be reinstated and that its term be extended to June 30, 2024.

D. Furthermore, the Parties have agreed to update the exhibits to the Agreement so that they reflect the terms in County’s current Mortgage, Note, and Homebuyer Agreement and the current HUD Household income guidelines.

E. The Parties now desire to enter into this Amendment to reinstate the Agreement, extend its term, and update its exhibits.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The above Recitals are true and correct and are incorporated herein by reference. All capitalized terms not expressly defined within this Amendment shall retain the meaning ascribed to such terms in the Agreement.
2. Amendments to the Agreement made pursuant to this Amendment are indicated herein by use of strikethroughs to indicate deletions and bold/underlining to indicate additions. Except as modified herein, all remaining terms and conditions of the Agreement shall remain in full force and effect.
3. The Agreement is reinstated effective October 1, 2022.

4. The first sentence of Article 10 of the Agreement is amended as follows:

The term of this Agreement shall commence retroactively on October 1, 2020 (“Effective Date”) and shall end on ~~September 30, 2022~~ **June 30, 2024**, unless terminated earlier or extended pursuant to the terms of this Agreement.

5. Exhibit A to the Agreement, Project Description, and Exhibit C to the Agreement, Project Timeline, are hereby deleted and replaced in their entirety with Exhibits A and C attached hereto and incorporated herein.

6. Exhibit F, Form of Mortgage and Note, and Exhibit H, Homebuyer Agreement, are hereby deleted and replaced in their entirety with Exhibits F and H attached hereto and incorporated herein (bold/underlining omitted).

7. In the event of any conflict or ambiguity between this Amendment and the Agreement, the Parties agree that this Amendment shall control. The Agreement, as amended herein by this Amendment, incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein, and the Parties agree that there are no commitments, agreements, or understandings concerning the subject matter hereof that are not contained in the Agreement as amended in this Amendment. Accordingly, the Parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

8. Preparation of this Amendment has been a joint effort of the Parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than any other.

9. The effective date of this Amendment shall be the date of complete execution by the Parties.

10. This Amendment may be executed in counterparts, whether signed physically or electronically, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

11. City represents and warrants that this Amendment constitutes the legal, valid, binding, and enforceable obligation of City, and that neither the execution nor performance of this Amendment constitutes a breach of any agreement that City has with any third party or violates any law, rule, regulation, or duty arising in law or equity applicable to City. City further represents and warrants that execution of this Amendment is within City’s legal powers, and each individual executing this Amendment on behalf of City is duly authorized by all necessary and appropriate action to do so on behalf of City and does so with full legal authority.

*(The remainder of this page is blank.)*

IN WITNESS WHEREOF, the Parties hereto have made and executed this Amendment: BROWARD COUNTY, signing by and through its County Administrator, authorized to execute same by Board action on the 8th day of December, 2020, and City of Lauderhill, signing by and through its Mayor or Vice Mayor, duly authorized to execute same.

**COUNTY**

BROWARD COUNTY, by and through  
its County Administrator

By: \_\_\_\_\_  
Monica Cepero

\_\_\_\_ day of \_\_\_\_\_, 20\_\_

Approved as to form by  
Andrew J. Meyers  
Broward County Attorney  
115 South Andrews Avenue, Suite 423  
Fort Lauderdale, Florida 33301  
Telephone: (954) 357-7600

By: \_\_\_\_\_  
Karina D. Rodrigues (Date)  
Assistant County Attorney

By: \_\_\_\_\_  
Annika E. Ashton (Date)  
Deputy County Attorney

KDR  
Reinstatement and First Amendment – FY20-21 HOME PA Agreement (City of Lauderhill)  
4/17/2024

**REINSTATEMENT AND FIRST AMENDMENT TO AGREEMENT BETWEEN BROWARD COUNTY AND CITY OF LAUDERHILL PROVIDING FOR DISBURSEMENT OF HOME PROGRAM FUNDS FOR PURCHASE ASSISTANCE PROGRAM FOR FISCAL YEAR 2020-2021**

CITY

CITY OF LAUDERHILL

ATTEST:

By: \_\_\_\_\_  
CITY MAYOR

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
Print Name

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

I HEREBY CERTIFY that I have approved this Agreement as to form and legal sufficiency subject to execution by the parties:

\_\_\_\_\_  
City Attorney

## EXHIBIT A

### PROJECT DESCRIPTION

Fiscal Year: Project	FY 2020-2021
Description:	City of Lauderdale Purchase Assistance Program
HOME Funds Allocation:	\$118,240
Program Income:	\$0
<b>Total Allocation:</b>	<b>\$118,240</b>

#### Project Description:

City shall provide purchase assistance to a minimum of two (2) Income Eligible Households, at a maximum of Fifty Thousand Dollars (\$50,000) per Income Eligible Household, as defined in Section 1.8 of the Agreement. Very low-income families will be capped at Fifty Thousand Dollars (\$50,000), and low-income families will be capped at Forty Thousand Dollars (\$40,000). City shall certify each applicant for income-eligibility as provided for in the Agreement. City shall require each Income Eligible Household to execute a Mortgage and Promissory Note. The maximum grant amount for each Income Eligible Household includes all program fees and lead-based paint fees. Applicants will be processed by City on a first-qualified, first-served basis. An existing home value shall be in accordance with homeownership value limits set annually by HUD regulations.

The following types of properties are eligible for funding under the Agreement:

- Single family homes
- Condominium units
- Townhouses
- Villas

The loan terms shall be as follows:

- Fifteen (15) year, ten (10) year or five (5) year term depending upon loan amount and HOME affordability period, 0% Interest, Forgivable Loan ("Loan").
- Loan amount is required to be re-paid on a prorated basis to Broward County if the property is sold, transferred, or leased during the applicable Loan term.
- ~~A percentage of the original balance of the Loan will be forgiven each year on the anniversary date of the Loan as follows: 20% for a 5-year Loan; 10% for a 10-year Loan; or 6.67% for a 15-year Loan.~~

<b>Purchase Assistance</b>	
<b>Investment amount</b>	<b>Affordability period</b>
Less than \$15,000	5 years
\$15,000-\$40,000	10 years
More than \$40,000	15 years

City will prepare and record all Mortgages and Promissory Notes in favor of County, in the form provided in Exhibit F.

City will have the closing agent forward all original Mortgages and Promissory Notes with a recorded copy to the County within thirty (30) days.

City will ensure that the Income Eligible Households list the County as an additional mortgagee on their insurance policies.

City shall comply with HUD Rules and Regulations governing the Project, including, but not limited to, the following:

- Property shall be in compliance with applicable local codes and the Florida Building Code, in accordance with 24 C.F.R. Part 92.251, Property Standards.
- Lead-based paint testing and abatement, as needed, in accordance with 24 C.F.R. Part 92.355.
- Income Eligible Household means a "low-income" or "very low-income" family, each as defined in 24 C.F.R. Part 92.2.
- Ensure compliance with the recapture and affordability restrictions set forth in the Agreement.

County will monitor all Mortgages and Promissory Notes recorded by City in favor of County.

County will prepare Subordination Agreements and Satisfactions of Mortgages, when requested by the homeowner, and as appropriate, if the requested subordination or satisfaction is in compliance with the County's subordination policy and Sections 27.209 and 27.210 of the Broward County Administrative Code, as applicable.

County Subordination Policy must be met for subordination to be considered:

- NO CASH OUT with HOME mortgages.
- Homeowner must retain at least 10% equity.
- Broward County must stay in second lien position.

**City will ensure that each household has a written homebuyer agreement in the form provided in Exhibit H as per HUD 24 C.F.R. 92.504(c)(5)(i) prior to disbursing HOME funds.**

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## ATTACHMENT 1 to EXHIBIT A

### PROGRAM DESIGN

#### Program implementation Overview

The City of Lauderhill's Grants Division is responsible for the implementation process of the City's Purchase Assistance Program. The Intergovernmental Coordinator, under the direction of the Deputy City Manager, or her designee, must operate the program pursuant to guidelines adopted by the City Commission and consistent with HUD regulations. Personnel will assist Income Eligible Households that meet the HUD income guidelines and occupy the home as their primary residence within the City of Lauderhill. Accomplishments will be measured by the number of closings, with a minimum of two (2) homes purchased within the City. Program implementation includes the following:

1. Direct service to HOME eligible recipients and properties:
  - a. Advertise and distribute program information to ensure the community is aware of affordable funding through the Purchase Assistance Program.
  - b. Coordinate client intake and property eligibility.
  - c. Process and approve applications.
  - d. Perform property assessments.
  - e. Prepare transmittal documents for recording in a timely fashion.
  
2. Quarterly reporting of program status:
  - a. Provide Quarterly Reports on program activities and progress.
  - b. Review current status of program for compliance with HUD guidelines and program objectives.
  - c. Complete all reports required by County.
  - d. Monitor program expenditures.
  - e. Prepare and submit reimbursement requests.

#### Recipient Section Criteria

Eligible applicants will be served on a first-come, first-qualified, and first-served basis.

#### Program Marketing

The City designed an application that is distributed at City Hall, City events and meetings, and is available on the City's web page. Information is widely distributed through Broward 2-1-1 and updated as necessary. Applications will be distributed until all funding has been exhausted.

#### Applicant Processing and Verification

Applicants are eligible for Purchase Assistance if the property is eligible, if their income qualifies, and if they have taken the 8-hour home counseling course. There is no cash out at closing. Underwriting guidelines must be met prior to closing. All applications are subject to HUD Environmental Review process.

Verification of income based on family size is conducted to determine eligibility and the loan amount. The applicant is income-certified once eligibility is confirmed and all required documentation has been received.

**Eligibility**

Due to limited funding availability, the City focuses on serving low and very-low income families and follows HUD household income guidelines for the HOME Investment Partnership Program. Currently these limits are as listed below and subject to change based on the date of income verification:

<b>Household Size</b>	<b>Very Low (50<sup>3/4</sup>%)</b>	<b>Low(80%)</b>
1	\$31,200	\$49,950
2	\$35,650	\$57,050
3	\$40,100	\$64,200
4	\$44,550	\$71,300
5	\$48,150	\$77,050
6	\$51,700	\$82,750
7	\$55,250	\$88,450
8	\$58,850	\$94,150

(Effective April 2020)

<b>Household Size</b>	<b>Very Low (50%)</b>	<b>Low(80%)</b>
<u>1</u>	<u>\$31,750</u>	<u>\$50,800</u>
<u>2</u>	<u>\$36,300</u>	<u>\$58,050</u>
<u>3</u>	<u>\$40,850</u>	<u>\$65,300</u>
<u>4</u>	<u>\$45,350</u>	<u>\$72,550</u>
<u>5</u>	<u>\$49,000</u>	<u>\$78,400</u>
<u>6</u>	<u>\$52,650</u>	<u>\$84,200</u>
<u>7</u>	<u>\$56,250</u>	<u>\$90,000</u>
<u>8</u>	<u>\$59,000</u>	<u>\$95,800</u>

(Effective May 2022)

***Established by Federal Guidelines - Subject to change on an annual basis***

**Terms, Recapture, and Default**

The County will subordinate its loan for the purpose of refinancing to obtain a lower interest rate, thereby making the payments more affordable for the homeowner. The City does not allow cash-out refinances and requires the payoff of the remaining loan balance should the homeowner wish to refinance and increase the loan amount for the purpose of receiving cash equity.

Eligible persons receiving amounts of less than Fifteen Thousand Dollars (\$15,000) shall sign a five (5) year mortgage and note at a zero percent (0%) interest rate. ~~Twenty percent (20%) of the original balance of the Loan will be forgiven each year on the anniversary date of the Loan.~~ Repayment is due during the affordability period if the home is sold, there is an



assignment, any transfer of title of the property, or a refinance, unless for purposes of lowering the interest rate. This policy does not apply to the transfer of title to income eligible heirs.

Eligible persons receiving amounts greater than Fifteen Thousand Dollars (\$15,000) and less than Forty Thousand Dollars (\$40,000) shall sign a ten (10) year mortgage and note at zero percent (0%) interest rate. ~~Ten percent (10%) of the original balance of the Loan will be forgiven each year on the anniversary date of the Loan.~~ Repayment is due during the affordability period if the home is sold, if there is an assignment, any transfer of title of the property, or a refinance, unless for purposes of lowering the interest rate. This policy does not apply to the transfer of title to income eligible heirs.

Eligible persons receiving amounts greater than Forty Thousand Dollars (\$40,000) and up to Fifty Thousand Dollars (\$50,000) shall sign a fifteen (15) year mortgage and note at zero percent (0%) interest rate. ~~Six and six sevenths percent (6.67%) of the original balance of the Loan will be forgiven each year on the anniversary date of the Loan.~~ Repayment is due during the affordability period if the home is sold, if there is an assignment, any transfer of title of the property, or a refinance, unless for purposes of lowering the interest rate. This policy does not apply to the transfer of title to income eligible heirs.

If applicant sells the property, the County must be contacted for a payoff statement.

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## EXHIBIT C

### PROJECT TIMELINE

The table below lists the main work tasks required to complete Project objectives before the term of the Agreement expires.

<b>WORK TASKS</b>	<b>START-UP</b>	<b>COMPLETION</b>
Identify and process Income Eligible Households	October 1, 2020	<del>May 3, 2022</del> <b><u>April 3, 2024</u></b>
Provide Quarterly Progress Reports to County	November 10, 2020	<del>September 30, 2022</del> <b><u>June 30, 2024</u></b>
Final Invoice to the County	September 1, 2022	<del>September 30, 2022</del> <b><u>June 30, 2024</u></b>
Provide Final Report to County with Final Beneficiary Data	September 15, 2022	<del>September 30, 2022</del> <b><u>June 30, 2024</u></b>

**EXHIBIT F**

**FORM OF MORTGAGE AND PROMISSORY NOTE**

Return recorded document to:  
Broward County  
Housing Finance Division  
110 N.E. 3<sup>rd</sup> Street, Suite 300  
Fort Lauderdale, Florida 33301

Document prepared by:  
[INSERT NAME OF PREPARER]  
[INSERT ADDRESS OF PREPARER]

**MORTGAGE TO SECURE HOME INVESTMENT  
PARTNERSHIPS PROGRAM FINANCING FOR PURCHASE ASSISTANCE**

Form Version: March 2024

This Mortgage to Secure HOME Investment Partnerships Program Financing for Purchase Assistance (“Mortgage”) made this \_\_\_ day of \_\_\_\_\_, 20\_\_, between \_\_\_\_\_, a \_\_\_\_\_, whose address is \_\_\_\_\_ (hereinafter referred to as “Mortgagor”), and Broward County, a political subdivision of the State of Florida, whose address is Governmental Center, 115 South Andrews Avenue, Fort Lauderdale, Florida 33301 (hereinafter referred to as “Mortgagee”).

- A. Mortgagor is indebted to Mortgagee in the principal sum of \_\_\_\_\_ Dollars (\$) (“Loan”), which indebtedness is evidenced by Mortgage’s HOME Promissory Note of even date herewith (“Note”), attached hereto as Exhibit A.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, Mortgagor does hereby mortgage, grant, and convey to Mortgagee the property described in Attachment A, located in the County of Broward, State of Florida, together with all improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property are herein referred to as the “Property.”

Mortgagor agrees to secure to Mortgagee the payment of the Loan as evidenced in the Note, payable to Mortgagee, and agrees to comply with the terms and conditions of this Mortgage and Note, and the terms and conditions set forth in 24 C.F.R. Part 92, HOME Investment Partnerships Program, including the applicable affordability periods established by the Broward County Housing Finance Division.

The sums secured under this Mortgage are provided in the form of a zero percent (0%) interest rate, deferred payment, forgivable loan. Upon the expiration of the term of this Mortgage as provided in Section 2 hereof, so long as Mortgagor has complied with all the terms of this Mortgage and the Note, and no Event of Default (as defined below) has occurred or is occurring, the Mortgage shall be deemed satisfied and, upon request of Mortgagor, Mortgagee shall execute a Satisfaction of Mortgage. Mortgagor shall pay all costs of recordation of the Satisfaction of Mortgage, if any. If, however, the Mortgagor sells or transfers title to the Property used to secure this Mortgage prior to the full term of the Loan, or fails to comply with any terms and conditions of this Mortgage or the Note, the outstanding principal amount of the Note securing this Mortgage shall immediately become due and payable to Mortgagee.

This Mortgage shall be a \_\_\_\_\_ [*insert position*] mortgage on the Property.

[IF SUPERIOR FIRST MORTGAGE]

This Mortgage is expressly made subject to, junior, inferior, and subordinate in payment and in all other respects to the lien, priority, terms and conditions, in that certain mortgage from [\_\_\_\_\_] (the “First Mortgagee”) to Mortgagor dated [\_\_\_\_\_, \_\_\_\_], recorded in the Official Records of Broward County, Florida (the “First Mortgage”) securing that certain promissory note having an original principal face amount of [\_\_\_\_\_] Dollars (\$[\_\_\_\_]), dated [\_\_\_\_\_, \_\_\_\_] (the “First Note”), made by Mortgagor and

payable to First Mortgagee, as well as to any refinancing thereof, but only if the purpose of the refinancing is the lowering of the interest rate on the First Note.

[IF SUPERIOR SECOND MORTGAGE]

This Mortgage is expressly made subject to, junior, inferior, and subordinate in payment and in all other respects to the lien, priority, terms and conditions, in that certain mortgage from [\_\_\_\_\_] (the "Second Mortgagee") to Mortgagor dated [\_\_\_\_\_, \_\_\_\_], recorded in the Official Records of Broward County, Florida (the "Second Mortgage") securing that certain promissory note having an original principal face amount of [\_\_\_\_\_] Dollars (\$[\_\_\_\_\_]), dated [\_\_\_\_\_, \_\_\_\_] (the "Second Note"), made by Mortgagor and payable to Second Mortgagee, as well as to any refinancing thereof, but only if the purpose of the refinancing is the lowering of the interest rate on the Second Note.

Mortgagor hereby further covenants and agrees as follows:

1. **Payment of Principal.** Mortgagor shall pay when due the outstanding principal under the Note in accordance with the terms of the Note.

2. **Term of Mortgage.** The term of this Mortgage shall be [\_\_\_\_] (\_\_) years from the date of execution of the Note.

3. **Charges.** Mortgagor shall pay, prior to becoming delinquent, all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, when due, directly to the payee thereof. Mortgagor shall promptly furnish to Mortgagee receipts evidencing such payments.

4. **Insurance.**

a. Mortgagor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards, including but not limited to floods, for which Mortgagee requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Mortgagee requires.

b. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Mortgagee's right to disapprove Mortgagor's choice, which right shall not be exercised unreasonably. All premiums on insurance policies shall be paid by Mortgagor, when due, directly to the insurance carrier.

c. All insurance policies required by Mortgagee and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Mortgagee as mortgagee and/or an additional loss payee. Mortgagee shall have the right to hold the policies and renewals thereof, and Mortgagor shall promptly furnish to Mortgagee all receipts of paid premiums.

d. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and the Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor. Unless Mortgagee and Mortgagor otherwise agree in writing, any insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Mortgagor.

e. If Mortgagor abandons the Property, Mortgagee may file, negotiate, and settle any available insurance claim and related matters. If Mortgagor does not respond within thirty (30) days to a notice from Mortgagee that the insurance carrier has offered to settle a claim, then Mortgagee may settle the claim. In either event, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

f. If, under Section 16 hereof, the Property is acquired by Mortgagee, all right, title, and interest of Mortgagor in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property, prior to the sale or acquisition shall pass to Mortgagee to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

5. **Purpose of Mortgage.** It is expressly agreed and understood that this Mortgage secures the indebtedness

and the obligation of the Mortgagor with respect to the Loan, as the same is evidenced by the Note, and all renewals, extensions, and modifications thereof. This Mortgage shall not be deemed released, discharged, or satisfied until the entire indebtedness evidenced by the Note is satisfied in full.

6. **Representations and Warranties.** Mortgagor represents and warrants that: (a) there are no actions, suits, or proceedings pending or threatened against or affecting Mortgagor or any portion of the Property, or involving the validity or enforceability of this Mortgage or the priority of its lien, (b) Mortgagor is not in default under any other indebtedness or with respect to any order, writ, injunction, decree, judgment or demand of any court or any governmental authority; and (c) in connection with the Loan, Mortgagor has not made any material misrepresentations of fact relating to Mortgagor's income and eligibility for the Loan.

7. **Primary Resident.** As an inducement for Mortgagee to make the Loan, Mortgagor hereby agrees to and covenants that Mortgagor will be the primary resident(s) of the Property during the entirety of the term of the Mortgage and Note.

8. **Care of Property.**

- a. No building or other structure or improvement, fixture or personal property mortgaged hereby shall be removed or demolished without the prior written consent of Mortgagee. Mortgagor will not make, permit, or suffer any alteration or addition to any building or other structure or improvement now or which may hereafter be erected or installed upon the mortgaged property, or any part thereof, except the improvements, if any, required to be made with the proceeds of the Loan, nor will Mortgagor use, or permit or suffer the use of, any of the Property for any purpose other than the purpose or purposes for which the same is now used, without the prior written consent of Mortgagee.
- b. Mortgagor will maintain the Property in good condition and state of repair and will not suffer or permit any waste to any part thereof, impairment, or deterioration of the Property, or make or permit to be made to the Property any alterations or additions that would have the effect of materially diminishing the value thereof or take or permit any action that will in any way increase any ordinary fire or other hazard arising out of the construction or operation thereof and will promptly comply with all of the requirements of federal, state, and local governments, or of any departments, divisions or bureaus thereof, pertaining to such property or any part thereof. If all or any part of the Property shall be damaged by fire or other casualty, the Mortgagor shall promptly restore the Property to the equivalent of its original condition regardless of whether or not there shall be any insurance proceeds therefore. If the Property or any part thereof is damaged by fire or any other cause, the Mortgagor shall give immediate written notice of same as soon as practicable to Mortgagee. If a part of the Property shall be physically damaged through condemnation, the Mortgagor shall promptly restore, repair, or alter the remaining property in a manner satisfactory to the Mortgagee. Mortgagee's approval of such restorations, repairs, or alterations shall not be unreasonably withheld.

9. **Transfer of the Property; Assumption.**

- a. No part of the Property or an interest therein shall be sold or transferred by Mortgagor without the written consent of Mortgagee. If Mortgagor sells or transfers any interest in the Property, the outstanding principal amount of the Note secured by this Mortgage shall become immediately due and payable. If the outstanding principal amount of the Note becomes due and payable, Mortgagee shall provide Mortgagor notice of acceleration, in accordance with Section 16 hereof. Mortgagor shall pay the sums declared due and payable within thirty (30) days after the date of the notice. If Mortgagor fails to timely pay such sums, Mortgagee may, without further notice or demand on Mortgagor, invoke any remedies permitted by Section 17 hereof.
- b. Mortgagee may, at Mortgagee's option, waive its option to accelerate if, prior to the sale or transfer, Mortgagee and the person to whom the Property is to be sold or transferred to reach an agreement in writing that the credit of such person is satisfactory to Mortgagee, that the interest payable, if any, on the sums secured by the Mortgage shall be at such rate as Mortgagee shall request, and that all applicable income and affordability restrictions are met. Mortgagee shall release Mortgagor from the obligations under this Mortgage and the Note only if (i) Mortgagee waives its option to accelerate pursuant to this paragraph, and (ii) Mortgagor's successor in interest has executed a written assumption agreement, in form and substance satisfactory to Mortgagee, pursuant to which the successor in interest acquires all of Mortgagor's obligations under the Mortgage and the Note.

10. **Hazardous Substances.** Mortgagor shall not use, generate, store, or dispose of Hazardous Materials on the Property. Mortgagor shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Laws. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property. Mortgagor shall promptly give Mortgagee written notice of any investigation, claim, demand, lawsuit, or other action, of which the Mortgagor has actual knowledge, by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Laws. If Mortgagor learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Mortgagor shall promptly take all necessary remedial actions in accordance with Environmental Laws, and provide Mortgagee notice thereof. As used in this section, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Laws, including but not limited to the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this section, "Environmental Laws" means federal, state, and local laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection, including but not limited to the Federal Resource Conservation and Recovery Act and the Federal Comprehensive Environmental Response, Compensation and Liability Act.

11. **Compliance with Laws.** Mortgagor shall comply with all federal, state, and local laws applicable to the Loan and the Property, including all requirements of the U.S. Department of Housing and Urban Development and 24 C.F.R. Part 92, as may be amended from time to time.

12. **Protection of Mortgagee's Security.** If Mortgagor fails to perform the covenants or agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, including but not limited to eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankruptcy, Mortgagee, at Mortgagee's option, upon notice to Mortgagor, may make such appearances, disburse such sums and take such action as is necessary to protect Mortgagee's interest, including but not limited to disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

13. **Inspection.** Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property, provided that Mortgagee shall give Mortgagor reasonable notice prior to any such inspection.

14. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Mortgagee. The proceeds referred to in this paragraph shall be applied to the sums secured by this Mortgage with the excess, if any, paid to Mortgagor. If the Property is abandoned by Mortgagor or, if after notice by Mortgagee to Mortgagor that the condemner offers to make an award or settle a claim for damages, Mortgagor fails to respond to Mortgagee within thirty (30) days after the date of such notice, Mortgagee is authorized to collect and apply the proceeds, at Mortgagee's option, either to restoration or repair of the Property, or to the sums secured by this Mortgage.

15. **Event of Default.** The term "Event of Default," wherever used in this Mortgage, shall mean any one or more of the following events:

- a. Failure by Mortgagor to duly keep, perform, and observe any other covenant, condition, or agreement in the Note or this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, for a period of ten (10) days after Mortgagor gives written notice specifying the breach.
- b. If Mortgagor or any endorser or guarantor of the Note shall file a voluntary petition in bankruptcy or shall be adjudicated bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, wage earner's plan, assignment for the benefit of creditors, receivership, dissolution, or similar relief under any present or future Federal Bankruptcy Act or any other present or future applicable federal, state, or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of the Mortgage for all or any of the properties of Mortgagor or of any guarantor or endorser of the Note; or if within thirty (30) days after commencement of any proceeding against Mortgagor or any guarantor or endorser of the Note, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, debtor relief, or similar relief under any present or future federal, state, or other statute or law, such proceeding shall not have been dismissed or stayed on appeal; or if within the thirty (30) days after appointment without the consent or acquiescence of Mortgagor or of any endorser or guarantor of the Note, of any trustee, receiver, or liquidator of Mortgagor or any endorser or guarantor of the Note, or of all or any portion of the Property, such appointment shall not have been vacated or stayed on appeal or otherwise; or if within ten (10) days after the expiration of any such stay, such appointment shall not have been vacated.

- c. The entry by any court of last resort of a decision that an undertaking by the Mortgagor as herein provided to pay taxes, assessments, levies, liabilities, obligations or encumbrances is legally inoperative or cannot be enforced, or in the event of the passage of any law changing in any way or respect the laws now in force for the taxation of mortgages or debts secured thereby for any purpose or the manner of collection of any such taxes, so as to effect adversely this Mortgage or the debt secured hereby unless Mortgagor can and does in a proper and legal manner, pay any and all sums of whatever kind which may be incurred or charged under such new or modified law.
- d. If foreclosure proceedings should be instituted on any mortgage inferior or superior to the Mortgage, or if any foreclosure proceeding is instituted on any lien of any kind which is not dismissed or transferred to bond within thirty (30) days after the service of foreclosure proceedings on Mortgagor.
- e. Any default under any mortgage that is superior or inferior to the Mortgage. Mortgagor shall have the affirmative obligation to immediately notify Mortgage in writing of the occurrence or existence of any such default.
- f. Any breach of any warranty or material untruth of any representation of Mortgagor contained in the Note or this Mortgage related to the funding assistance provided.
- g. Any action prohibited herein.
- h. The transfer or lease of the Property to a third party.
- i. The abandonment or vacation of the Property by Mortgagor whereby said Mortgagor ceases to reside and occupy the Property as his or her principal residence.

16. **Acceleration; Remedies.** Except as provided in Section 9(b) hereof, upon the occurrence of an Event of Default, Mortgagee, prior to acceleration, shall mail notice to Mortgagor as provided in Section 20 hereof specifying: (1) the Event of Default; (2) the action required to cure such Event of Default; (3) a date, not less than thirty (30) days after the date the notice is received by Mortgagor, by which such Event of Default must be cured to the satisfaction of Mortgagee; and (4) that failure to cure such Event of Default on or before the date specified in the notice may result in any action in law or equity, as Mortgagee determines to be most effectual to enforce Mortgagor's obligations, including an action for specific performance, acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Mortgagor of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of an Event of Default or any other defense of Mortgagor to acceleration and foreclosure. If the Event of Default is not cured on or before the date specified in the notice, Mortgagee at its option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. Mortgagee shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph, including but not limited to reasonable attorneys' fees and costs of title evidence. Any person (including his successors or assigns) receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the first position mortgage on the Property, shall receive title to the Property free and clear from provisions, if any, in this Mortgage restricting the use of the Property to low or moderate-income households, restricting the ability to sell the Property, or otherwise imposing occupancy requirements on the Property.

17. **Remedies Cumulative.** All remedies provided in this Mortgage are separate, distinct, and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently, or successively. No act of Mortgagee shall be construed as an election to proceed under any provision or covenant herein to the exclusion of any other, notwithstanding anything herein to the contrary.

18. **Mortgagor's Right to Reinstate.** Notwithstanding the Mortgagee's right to acceleration of the sums secured by this Mortgage, Mortgagor shall have the right to have any proceedings initiated by Mortgagee to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Mortgagor pays Mortgagee all sums which would be then due under this Mortgage had no acceleration occurred; (b) Mortgagor cures all breaches of this Mortgage; (c) Mortgagor pays all reasonable expenses incurred by Mortgagee in enforcing the covenants and agreements of Mortgagor contained in this Mortgage, including but not limited to reasonable attorneys' fees; and (d) Mortgagor takes such action as Mortgagee may reasonably require to assure that the lien secured by this Mortgage, Mortgagee's interest in the Property and Mortgagor's obligation to pay the sums secured by this Mortgage shall remain in full force and effect as if no acceleration had occurred. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

19. **Recordation.** This Mortgage and the Note shall be recorded in the Official Records of Broward County, Florida, by the Mortgagee at the expense of Mortgagor.

20. **Notice.** Except for any notice required under applicable law to be given in another manner, any notice to Mortgagor or Mortgagee provided for in this Mortgage shall be given by mailing such notice by certified mail, return receipt requested, addressed to the party for whom it is intended at such party's respective address set forth above in the introductory paragraph to this Mortgage.

21. **Governing Law.** This Mortgage shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. The exclusive venue for any lawsuit arising from, related to, or in connection with this Mortgage shall be in the state courts of the Seventeenth Judicial Circuit in and for Broward County, Florida. If any claim arising from, related to, or in connection with this Mortgage must be litigated in federal court, the exclusive venue shall be in the United States District Court or United States Bankruptcy Court for the Southern District of Florida. All meetings to resolve said dispute, including voluntary arbitration, mediation, or other alternative dispute resolution mechanism, will take place in this venue. The parties both waive any defense that the venue in Broward County is not convenient. **BY ENTERING INTO THIS MORTGAGE, MORTGAGOR AND MORTGAGEE HEREBY EXPRESSLY WAIVE ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO THIS MORTGAGE.**

22. **Attorneys' Fees and Costs.** As used in this Mortgage and in the Note, "attorney's fees" shall include those fees and costs, if any, which may be awarded by a trial or appellate court.

23. **Heirs, Successors, and Permitted Assigns; No Oral Modifications.** This Mortgage shall be binding upon and shall extend to the benefit of the parties hereto and their respective heirs, successors, and permitted assigns. This Mortgage is not subject to modification other than by a written document or instrument executed by Mortgagor and Mortgagee.

24. **Jointly and Severally Bound.** Mortgagor and others who may become liable for all or any part of the obligations under this Mortgage, hereby agree to be jointly and severally bound by this Mortgage and jointly and severally waive demand, protest, notice of nonpayment, and any and all lack of diligence or delays in collection or enforcement hereof, and specifically consent to any extension of time, release of any party liable for this obligation, including any maker, or acceptance of other security therefor. Any such extension or release may be made without notice to said party and without in any way affecting the liability of such party.

25. **No Waiver; Mortgagor Not Released.** It is expressly agreed and understood that a waiver by Mortgagee (which waiver shall only be valid if given in writing) of any right or rights conferred to it hereunder with regard to any one transaction or occurrence shall not be deemed a waiver of such right or rights to any subsequent transaction or occurrence. It is further agreed that any forbearance or delay by Mortgagee in enforcement of any right or remedy hereunder shall not constitute or be deemed a waiver of such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this Mortgage. An extension of time for payment or a modification of the amortization of the sums secured by this Mortgage granted by Mortgagee to Mortgagor or any successor in interest of Mortgagor shall not operate to release, in any manner, the liability of Mortgagor or Mortgagor's successor in interest. Mortgagee shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify the amortization of the sums secured by this Mortgage by reason of any demand made by the Mortgagor or Mortgagor's successor in interest.

26. **Severability.** If any provision, or part thereof, contained in this Mortgage is, for any reason, held to be invalid, illegal, unenforceable in any respect, or in conflict with applicable law, such invalidity, illegality, unenforceability, or conflict shall not affect any other provision (or remaining part of the affected provision) of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal, unenforceable, or conflicting provision (or part thereof) had never been contained herein, but only to the extent it is invalid, illegal, unenforceable, or in conflict with applicable law.

27. **Captions.** The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

28. **Further Assurances.** Mortgagor shall cooperate with County to modify and re-record this Mortgage and/or the Note to the extent modification is required (i) to correct any defect or error in the Mortgage and/or Note, or (ii) for compliance with applicable federal, state, or local law.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]



IN WITNESS WHEREOF, MORTGAGOR, \_\_\_\_\_, has executed this Mortgage.

WITNESSES:

MORTGAGOR:

Sign Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

\_\_\_\_\_  
(Print or Type Name)

Sign Name: \_\_\_\_\_

\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print or Type Name)

\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

STATE OF FLORIDA )

County OF BROWARD )

The foregoing instrument was acknowledged before me, by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as \_\_\_\_\_, who is personally known to me or who has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Print Name: \_\_\_\_\_

Notary Public, State of Florida at Large  
Commission No. \_\_\_\_\_

My Commission Expires:

**ATTACHMENT A**

**To**

**Mortgage to Secure HOME Investment  
Partnerships Program Financing for Purchase Assistance**

Legal Description:

Parcel Identification Number:

Street Address:

**EXHIBIT A TO MORTGAGE**

**HOME PROMISSORY NOTE**

**[PROJECT NAME]**

Forgivable Loan

**\$ (Amount to be inserted)**

\_\_\_\_\_, 20\_\_

FOR VALUE RECEIVED, the undersigned \_\_\_\_\_ (“Maker”), whose address is \_\_\_\_\_, promises to pay to the order of Broward County, a political subdivision of the State of Florida (“Holder”), whose address is Governmental Center, 115 South Andrews Avenue, Fort Lauderdale, Florida 33301, or such other location or address as Holder may from time to time designate in writing, the principal sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (“Loan”) to be paid in lawful U.S. currency.

1. The real property (“Property”) securing this Loan is legally described as set forth in Attachment A, attached hereto. This HOME Investment Partnerships Program (“HOME”) Promissory Note (“Note”) is secured by a Mortgage to Secure HOME Financing for Purchase Assistance (“Mortgage”) of even date herewith executed in favor of Holder, and recorded simultaneously therewith in the Official Records of Broward County, Florida, encumbering the Property, subject to no exceptions.

2. Holder is a recipient of HOME grant funds from the United States Department of Housing and Urban Development (“HUD”) for eligible activities set forth in 24 C.F.R. Part 92.

3. The Loan provided under this Note is a zero percent (0%) interest rate, deferred payment, forgivable loan. Upon the expiration of the term of the Mortgage securing this Note, which date is the \_\_\_\_\_ (\_\_\_[th]) anniversary of the execution of this Note, so long as Maker has complied with all the terms of the Mortgage and this Note, the Mortgage shall be deemed satisfied. Upon request of Maker, Holder shall execute a Satisfaction of Mortgage, and the outstanding principal amount of this Promissory Note shall be forgiven. If, however, Maker (i) sells or transfers title to the Property used to secure this Note prior to the full term of the Loan, (ii) fails to utilize the Property for purposes stated in the Mortgage, or (iii) fails to comply with any terms and conditions of the Mortgage or this Note, the outstanding principal amount of this Note shall immediately become due and payable to Holder.

5. If this Note is reduced to judgment, such judgment shall bear the statutory interest rate on judgments.

6. This Promissory Note may be prepaid in whole or in part at any time, without penalty or premium. Any prepayment hereunder shall be applied first to unpaid costs of collection, servicing fees, and late charges, if any, then to accrued, deferred, and unpaid interest, and the balance, if any, to the principal balance.

7. In the event of a default by Maker of any term or condition of this Note, and if the same is enforced by an attorney at law, Maker hereby agree(s) to pay all costs of collection, including reasonable attorneys’ fees. Notwithstanding any of the preceding provisions, Holder shall be entitled to collect a late fee on any principal amount due and payable by Maker, in such amount as may have been adopted by Resolution of the Broward County Board of County Commissioners and set forth in the Broward County

Administrative Code, at the time of the execution of this Note.

8. Except for any notice required under applicable law to be given in another manner, all notices under this Promissory Note shall be provided as specified in Section 20 of the Mortgage.

9. No delay or omission on the part of Holder in the exercise of any right hereunder shall operate as a waiver of such right or of any other right under this Note. No waiver of any of Holder's rights under this Note shall be binding upon Holder unless Holder approves such waiver in writing. A waiver by Holder of any right or remedy conferred to it hereunder on any one occasion shall not be construed as a bar to, or waiver of, any such right or remedy as to any future occasion.

10. This Note shall be interpreted and construed in accordance with and governed by the laws of the state of Florida. The exclusive venue for any lawsuit arising from, related to, or in connection with this Note shall be in the state courts of the Seventeenth Judicial Circuit in and for Broward County, Florida. If any claim arising from, related to, or in connection with this Promissory Note must be litigated in federal court, the exclusive venue for any such lawsuit shall be in the United States District Court or United States Bankruptcy Court for the Southern District of Florida. **BY ENTERING INTO THIS NOTE, MAKER AND HOLDER HEREBY EXPRESSLY WAIVE ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO THIS NOTE.**

11. In the event that any provision of this Note is held to be unenforceable under the law, all remaining provisions of this Note shall be binding, valid, and enforceable.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, MAKER, \_\_\_\_\_, has executed this Note.

WITNESSES:

MAKER

Sign Name: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Sign Name: \_\_\_\_\_

\_\_\_\_\_  
(Print or Type Name)

Print Name: \_\_\_\_\_

\_\_\_ day of \_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_

\_\_\_\_\_  
(Print or Type Name)

\_\_\_ day of \_\_\_\_\_, 20\_\_.

STATE OF FLORIDA        )  
  )  
COUNTY OF BROWARD    )

The foregoing instrument was acknowledged before me, by means of  physical presence or  online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, as \_\_\_\_\_, who is personally known to me or who has produced \_\_\_\_\_ as identification.

\_\_\_\_\_

Print Name: \_\_\_\_\_

Notary Public, State of Florida at Large

Commission No. \_\_\_\_\_

My Commission Expires:

**ATTACHMENT A  
TO HOME PROMISSORY NOTE**

Legal Description:

Parcel Identification Number:

Street Address:

**EXHIBIT H**

**HOMEBUYER AGREEMENT**

**BROWARD COUNTY**

**HOME Program**

**Homebuyer Purchase Assistance Agreement**

Homebuyer/s: \_\_\_\_\_

Property Address: \_\_\_\_\_

Commitment/Funding Amount: \$\_\_\_\_\_ Property Value: \$\_\_\_\_\_

*Commitment includes all HOME funds: Purchase assistance amount, fees, and service delivery, if applicable.*

This Agreement is entered into by \_\_\_\_\_ ("the Agency") and Homebuyer/s noted above ("Homebuyer/s"), collectively referred to as "the Parties".

**WITNESSETH:**

**WHEREAS**, the Agency has received **HOME** funds appropriated by the National Affordable Housing Act of 1990, as amended, and from the U.S. Department of Housing and Urban Development (hereinafter called "HUD"), to be expended in accordance with HOME Investment Partnership Acts (42 U.S.C. 12701 et seq), as amended by the Housing and Community Development Act of 1992 and the Multifamily Property Disposition Reform Act of 1994.

**WHEREAS**, the Agency has agreed to use the HOME funds to finance a Homebuyer Purchase Assistance Program and meet the requirements as set forth in 24 CFR Part 92, as amended or waived by HUD.

**NOW THEREFORE**, the Parties covenant and agree as follows:

**1. AFFORDABILITY PERIOD**

The property must remain affordable for a term of \_\_\_\_\_ years (the "Affordability Period"), or until the first of the following events occur: (1) Homebuyers sell, transfer or dispose of the assisted unit (by either sale, transfer, bankruptcy or foreclosure, etc.); (2) The Homebuyers no longer occupy the unit as their principal residence; or (3) The Homebuyer dies, or if a married couple, the survivor dies.

**2. FUNDING AMOUNT AND FORM OF ASSISTANCE**

**TERMS:**

The Agency will provide a Deferred Payment Loan in an amount up to \$\_\_\_\_\_ at Zero (0%) percent interest for a period no less than and not to exceed the term of affordability identified in Paragraph 1 above.

Homebuyers' Initials & Date

Agency Initials & Date

\_\_\_\_\_

\_\_\_\_\_

City terms:

At the end of the Affordability Period, the remaining outstanding principal amount shall be forgiven.

Amount inclusive of all fees with service delivery \_\_\_ YES \_\_\_ NO

### 3. RECAPTURE/RESALE PROVISIONS

Recapture provisions will apply pursuant to 24CFR92.254 upon one or more of the following events: (1) the homebuyers sell, transfer or dispose of the assisted unit (by either sale, transfer, bankruptcy or foreclosure, etc.); (2) the homebuyers no longer occupy the unit as their principal residence; or (3) the homebuyer dies, or if a married couple, the survivor dies. If the housing does not continue to be the principal place of residence for the family for the entire duration of the affordability period, then recapture provisions will apply.

**Pursuant to 24 CFR 92.254 (a) (5) (ii) (A)(2), the Agency will require homebuyers to repay the entire amount of the HOME investment if any of the stated recapture events occur.**

The Agency will NOT exercise a resale provision pursuant to 24 CFR 92.254(a)(5). These and other repayment provisions shall be enforced via the Promissory Note and/or Mortgage, which will also be executed at closing.

### 4. PROGRAM REQUIREMENTS

The Agency and the Homebuyer/s agree to comply with these program requirements, as set forth in the HOME regulations (24 CFR Part 92 Subpart F) as follows:

- a) Income Eligible and Principal Residence: The Homebuyer/s have certified that at the time of application and approval, their annual income does not exceed eighty (80%) percent of the median income for the area, as determined by HUD, with adjustments for family size;
- b) Principal Residence: The Homebuyer/s certify that the property will be their principal residence during the Affordability Period;
- c) Property Value: The property is located within the jurisdiction of the Agency's HOME Program and has an appraised value of \$ \_\_\_\_\_ which is equal or less than ninety-five percent (95%) of the area median sales price at or below \$ \_\_\_\_\_. The Agency has reviewed the household income and the property value requirements in accordance with the HOME Program requirements, and has approved the Homebuyer/s and property as eligible for funding
- d) Property Maintenance: The Homebuyer/s must maintain the property, including payment of property taxes, property insurance and flood insurance (if applicable) and homebuyer's insurance, during the Affordability Period. Broward County will be named as Additional Mortgagee on all property and flood insurance coverage during the Affordability Period;
- e) Housing Quality Standards: the property, at initial occupancy by the Homebuyers, has met, at a minimum, Section 8 Housing Quality Standards (HQS)/Uniform Physical Condition Standards (UPCS) and local building codes and ordinances of Broward County. The Agency has inspected the property or reviewed the appraisal and/or the property inspection report and has approved this project eligible for funding on this basis;
- f) Equal Opportunity, Fair Housing and Affirmative Marketing (24 CFR Part 92.351);
- g) Environmental review;
- h) Lead-based paint inspections and mitigation;
- i) Conflict of interest;

Homebuyers' Initials & Date

Agency Initials & Date



- j) Flood insurance coverage; and
- k) Executive Order 12372.

**5. ESTIMATED START DATE AND DISBURSEMENT OF FUNDS**

The Homebuyers agree that the funds will only be used as a subsidy to a private loan to lower monthly housing costs (PITI) to the Homebuyers, and to pay closing costs and a part of the down payment amount (if necessary). The HOME funds shall be disbursed by the Agency at the time of loan closing, estimated to be within ninety (90) calendar days of this Agreement.

**6. RECORDS AND REPORTS**

The Agency and Homebuyers agree to complete all reports and maintain documentation (as applicable to each party) in accordance with HUD guidelines (24 CFR Part 92) for a period of five (5) years after the end of the affordability term.

**7. ENFORCEMENT OF THE AGREEMENT**

The loan shall be evidenced by a Promissory Note and shall be secured by a Mortgage on the property. Failure by the Homebuyer/s to comply with the terms of this Agreement and the loan documents will be considered a default, and appropriate legal actions will be taken.

**8. HOMESTEAD EXEMPTION**

Throughout the Affordability Period, the Agency reserves the right to confirm the premises is in use as the Homebuyer's principal residence. The primary (but not sole) indication that the premises is the principal residence is continued Homestead Exemption throughout the Affordability Period. If Homestead Exemption lapses during the Affordability Period, the Agency will assume the premises is no longer the Homebuyer's principal residence, will demand full repayment of the assistance provided, and take appropriate legal action to secure repayment.

**9. DURATION OF THE AGREEMENT**

This Agreement will be in effect for a term which shall run for the duration of the Affordability Period established under Paragraph 1.

**10. REFINANCING AND SUBORDINATION OF HOME FUNDS**

For Broward County to consider a subordination request when Homebuyer refinances their first mortgage, among other conditions, Broward County requires that there is no cash out on the refinance, at least 10% equity is retained, Broward County stays in second lien position, and the Homebuyer must provide the County a current property appraisal along with other current information.

**11. OTHER PROVISIONS**

No discrimination against any person or group of persons by the parties on account of race, sex, creed, religion, marital status, familial status, sexual orientation, disability, color or national origin shall be made in performance of this Agreement.

Nothing contained in this Agreement or any act of the Agency or the Homebuyers shall be deemed or construed by any of the parties hereto, or third persons to create any relationship of third party beneficiary, principal or agent, limited or general partnership, joint venture or any association or relationship involving Broward County.

**AGREED TO AND ACCEPTED** by the Parties on the date last noted below:

Homebuyers' Initials & Date

Agency Initials & Date

Homebuyer/s:

City/Agency Name:

\_\_\_\_\_  
Homebuyer Signature                      Date

\_\_\_\_\_  
Signature (Agency Designee)

\_\_\_\_\_  
Homebuyer: Print Name                      Date

Date: \_\_\_\_\_

\_\_\_\_\_  
Homebuyer Signature                      Date

\_\_\_\_\_  
Homebuyer: Print Name                      Date

Homebuyers' Initials & Date

\_\_\_\_\_

Agency Initials & Date

\_\_\_\_\_

