

**SEMINOLE COUNTY GOVERNMENT  
AGENDA MEMORANDUM**

**SUBJECT:** Satisfaction of Rehabilitation Loan Agreement & Restrictive Covenant

**DEPARTMENT:** Planning & Development **DIVISION:** Community Resources

**AUTHORIZED BY:** Donald Fisher **CONTACT:** Annie Knight **EXT.** 7364

<b>Agenda Date</b> <u>06/08/2004</u> <b>Regular</b> <input type="checkbox"/> <b>Consent</b> <input checked="" type="checkbox"/> <b>Work Session</b> <input type="checkbox"/> <b>Briefing</b> <input type="checkbox"/>
<b>Public Hearing – 1:30</b> <input type="checkbox"/> <b>Public Hearing – 7:00</b> <input type="checkbox"/>

**MOTION/RECOMMENDATION:**

Approve and authorize the Chairman to execute a Satisfaction of Rehabilitation Loan Agreement & Restrictive Covenant for a household assisted with emergency repair assistance under the Seminole County Emergency Repair Housing Program Grant Agreement.

**BACKGROUND:**

On November 30, 1995 a Seminole County Sub recipient, assisted Marie A. Odom with emergency repair assistance in the amount of \$17,480.00 to repair her home. Ms. Odom entered into an agreement with Meals on Wheels, Etc., Inc. Said agreement granted to Seminole County, a certain interest in the property should the Owner transfer title, sell or in any manner cease to occupy as her primary residence or dispose of the property before November 30, 2005. The unit was recently sold.

A check has been issued to Seminole County in the amount of \$17,480.00, to satisfy the County's lien on the property (see attached), this amount is in excess of the amount owed to Seminole County according to the Seminole County Housing Rehabilitation Program Agreement (see attached). According the agreement Seminole County is only owed 80% of the \$17,480.00 which totals \$13,984.00, therefore Ms. Odom's successors are due a refund in the amount of \$3,496.00. Staff is now requesting the Board to approve and execute the attached Satisfaction on the property to remove the now-satisfied lien and direct the Clerk of the Court to issue a refund.

Reviewed by: <u>[Signature]</u> Co Atty: _____ DFS: _____ Other: <u>CC</u> DCM: <u>SS</u> CM: <u>[Signature]</u>  File No. <u>cpdc01</u>
---

This Instrument prepared by:  
Arnold W. Schneider, Esq.  
County Attorney's Office  
1101 East First Street  
Sanford, Florida 32771

Please return it to:  
Community Development Office  
Seminole County Government  
1101 East First Street  
Sanford, FL 32771

SATISFACTION OF HOMEOWNER/REHABILITATION  
PROGRAM ASSISTANCE AGREEMENT, SUBGRANTEE AGREEMENT  
MEMORANDUM OF AGREEMENT AND RELEASE OF RESTRICTIVE COVENANTS  
SEMINOLE COUNTY HOME PROGRAM

Know All Persons By These Presents:

WHEREAS, that certain Homeowner/Rehabilitation Program Assistance Agreement dated November 30, 1995, and recorded in Official Records Book 3028, Pages 0511 through and including 0513 (the "Agreement") and that certain Memorandum of Agreement also dated November 30, 1995, and recorded in the Official Records Book 3028, Page 0514 (the "Memorandum"), both being a part of the Public Records of Seminole County, Florida; and

WHEREAS, both the Agreement and the Memorandum encumbered the property located at 1112 Oak Avenue, Sanford, Florida 32771, the legal description and parcel identification for which are as follows:

THE SOUTH 50 FEET OF LOT 3 AND ALL OF LOTS 4 AND 5, BLOCK 13, TIER 5, FLORIDA LAND AND COLONIZATION COMPANY LIMITED, E.R. TRAFFORDS MAP OF THE TOWN OF SANFORD, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGES 56-64 OF THE PUBLIC RECORDS OF SEMINOLE COUNTY, FLORIDA

Parcel Identification No.: 25-19-30-5AG-1305-0030

and also described in the Memorandum and Subgrantee Agreement as:

The South 50 FT of Lot 3 and all of Lots 4 and 5, Block 13, Tier 5, **TOWN OF SANFORD**, as recorded in PB 1, PG 56-64, Public Records of Seminole County, Florida

(hereinafter the "Property,") were made by Marie A. Odom, a single person, now deceased (the "Former Owner") of the Property, for the benefit of Seminole County, 1101 East First Street, Sanford, Florida 32771 (the "County") and the City of Sanford, Florida, 300 N. Park Avenue, Sanford, Florida 32771 (the "Subrecipient"); and

WHEREAS, the Agreement and the Subgrantee Agreement originated a deferred payment loan in the amount of SEVENTEEN THOUSAND FOUR HUNDRED EIGHTY AND NO/100 DOLLARS (\$17,480.00) to rehabilitate and remodel the residence of the Former Owner; and

WHEREAS, said Agreements, upon their recording created certain restrictive covenants limiting use the Property for only low income housing, as well as placing limits on alienation, and granted to Seminole County and the City of Sanford as Subrecipient certain interests in the Property should the Owner transfer title, sell, or in any manner cease to occupy the Property as her primary residence or dispose of the Property within ten (10) years from the date of the Agreements (the Affordability Period) or otherwise cease using it for low income housing; and

WHEREAS, the Former Owner also executed that certain Seminole County Housing Rehabilitation Agreement Between Subgrantee and Owner (the "Subgrantee Agreement") wherein proceeds of the deferred payment loan at zero percent (0%) interest were actually disbursed to the Former Owner through the City of Sanford (the "Subgrantee" or "Subrecipient") and wherein it was agreed by the parties, with the full knowledge and acquiescence of the County, that a pro-rata reduced repayment schedule would be permitted depending upon the length of the Former Owner's occupancy of the property during the duration of the Affordability Period as permitted by Federal regulations for the subsidized housing program known as the HOME Program; and

WHEREAS, the Agreement and the Subgrantee Agreement contained a provisions for early release of the restrictive use covenants and early termination of the affordability period as well as a reduction of the amount required for repayment under certain conditions, one of which was the death of the Former Owner; and

WHEREAS, the Memorandum, prepared by the City and executed by the former Owner provided that either the County or the Subrecipient was entitled to recover the repayment of the loan and to execute release of any remaining restrictive covenants in the event of early termination of the Affordability Period; and

WHEREAS, the Former Owner passed away on May 12, 2001, thus terminating the Affordability Period after five (5) years and five (5) months duration as evidenced by the recorded Certificate of Death of the Former Owner; and

WHEREAS, the Subgrantee Agreement provides for a repayment of eighty percent (80%) of the principal in the event the Affordability period was terminated between four (4) and six (6) years from the date of commencement thereof; and

WHEREAS, the successors in interest to the Property have tendered payment to the County through Commerce Title Company of Altamonte

Springs, Florida for the full amount due and outstanding on the original loan; and

WHEREAS, Seminole County and Subrecipient did not transfer, assign, pledge, or otherwise encumber any interest they obtained pursuant to any instruments or proceedings, except as noted above; and

WHEREAS, the County has been requested and is empowered to release the Property from any and all liens, encumbrances and restrictive use covenants within the loan documents:

NOW THEREFORE, in consideration of the foregoing recitals, including particularly the death of the Former Owner and the payment of the THIRTEEN THOUSAND NINE HUNDRED EIGHTY FOUR and NO/100 DOLLARS (\$13,984.00), the receipt of which is hereby acknowledged, paid to Seminole County on or about December 31, 2003 and pursuant to the terms of the Agreement, the Memorandum and the Subgrantee Agreement, Seminole County does hereby acknowledge full and complete satisfaction of said HOME Program loan and all instruments in connection therewith.

The Property, the Former Owner, her heirs, assigns and successors in interest to the fee simple ownership of the Property are forever freed, exonerated, discharged, and released from any lien created by the Agreement, the Memorandum and the Subgrantee Agreement and all restrictive covenants and every part thereof as to use, alienation and other matters and Seminole County does hereby direct the Clerk of Circuit Court of Seminole County, Florida to cancel the same of record.

IN WITNESS WHEREOF, the County, by and through the undersigned officials has caused this instrument to be executed as of the dates set forth below.

ATTEST: BOARD OF COUNTY COMMISSIONERS  
SEMINOLE COUNTY, FLORIDA

\_\_\_\_\_  
MARYANNE MORSE  
Clerk to the Board of  
County Commissioners of  
Seminole County, Florida.

By: \_\_\_\_\_  
DARYL G. MCLAIN, Chairman

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

For the use and reliance  
of Seminole County only.

As authorized for execution by  
the Board of County Commissioners  
at their \_\_\_\_\_, 20\_\_\_\_  
regular meeting.

Approved as to form and  
legal sufficiency.

\_\_\_\_\_  
County Attorney  
E:\Users\aschneider\Affordable Housing\Marie Odam - Satisfaction of Mtg amended.doc

Commerce Title Company, Altamonte Springs  
PR SOEAST Ofc. 407 (TF/TF)

DATE: 12/30/2003 FILE NO: 0306-1375

SET

DATE: 12/30/2003

CHECK NO. 4071001407

CHECK AMOUNT: \$ 17,480.00

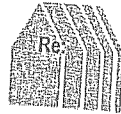
BUYER: Lessard

Property Address: 1112 Oak Lane, Sanford, FL  
Lot: 3-5

ER: Available, et al

Funds Due

Charge Details:  
Payoff:



17480.00

*Handwritten signature and date: 1/10/04*

COMMERCE TITLE

Thank you for doing business with Commerce Title Company

ORIGINAL DOCUMENT IS PRINTED ON CHEMICAL REACTIVE PAPER WHICH HAS A MICROPRINTED BORDER

Commerce Title Company  
385 Douglas Avenue Suite 2050  
Altamonte Springs, FL 32714  
(407) 661-2130

PR: SOEAST  
Ofc: 407

Bank Of America

4071001407

32-1/1110

Date: 12/30/2003

FILE NO: 0306-1375

PAY \*\*\*\*\*\$17,480.00\*\*\*\*\*

TO THE ORDER OF Seminole County

Re: LENTEX DOLLARS

\$\*\*\*\*\*17,480.00

Void After 60 Days

*Handwritten signature*

THIS DOCUMENT INCLUDES AN ORIGINAL WATERMARK. HOLD AT AN ANGLE TO VIEW.

⑈ 4071001407 ⑈ ⑆ 111000012⑆ 3752109887 ⑈

STATE OF FLORIDA

OFFICE OF VITAL STATISTICS

CERTIFIED COPY

002883

CERTIFICATE OF DEATH  
FLORIDA

LOCAL FILE NO.

1. DECEDENT'S NAME FIRST: Marie MIDDLE: Roselia LAST: Odom			2. SEX Female	
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3. DATE OF DEATH (Month, Day, Year) May 12, 2001	4. SOCIAL SECURITY NUMBER 265-36-4778	5a. AGE-Last Birthday (years) 71	5b. UNDER 1 YEAR Months: Days: Hours: Minutes:	5c. UNDER 1 DAY Hours: Minutes:
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6. DATE OF BIRTH (Month, Day, Year) July 31, 1929	7. BIRTHPLACE (City and State or Foreign Country) Orlando, Florida	8. WAS DECEDENT EVER IN U.S. ARMED FORCES? (Yes or No) No
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9a. PLACE OF DEATH (Check only one: see instructions on other side) HOSPITAL: Inpatient <input type="checkbox"/> ER/Outpatient <input type="checkbox"/> DCA <input type="checkbox"/> OTHER: Nursing Home <input type="checkbox"/> Residence <input checked="" type="checkbox"/> Other (Specify) Unit	9b. INSIDE CITY LIMITS? (Yes or No) Yes
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9c. FACILITY NAME (If not institution, give street and number) 200 North Lakemont Avenue	9d. CITY, TOWN, OR LOCATION OF DEATH Winter Park	9e. COUNTY OF DEATH Orange
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10a. DECEDENT'S USUAL OCCUPATION Artist/ Oil Paintings	10b. KIND OF BUSINESS/INDUSTRY Arts	11. MARITAL STATUS - Married, Never Married, Widowed, Divorced; (Specify) Widowed	12. SURVIVING SPOUSE (If wife, give maiden name)
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13a. RESIDENCE - STATE Florida	13b. COUNTY Seminole	13c. CITY, TOWN, OR LOCATION Sanford	13d. STREET AND NUMBER 1112 Oak Avenue
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13e. INSIDE CITY LIMITS? (Yes or No) Yes	13f. ZIP CODE 32771	14. WAS DECEDENT OF HISPANIC OR HAITIAN ORIGIN? (Specify No or Yes - If yes, specify Haitian, Cuban, Mexican, Puerto Rican, etc.) <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Specify:	15. RACE - American Indian, Black, White, etc. Specify. White	16. DECEDENT'S EDUCATION (Specify only highest grade completed) Elementary/Secondary <input type="checkbox"/> College (1-4 or 5+) <input type="checkbox"/> (0-12) 12
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17. FATHER'S NAME (First, Middle, Last) Askev Avera	18. MOTHER'S NAME (First, Middle, Maiden Surname) Roselia Pfeifer
--	--

19a. INFORMANT'S NAME (Type or Print) Cheryle Phillips	19b. MAILING ADDRESS (Street and Number or Rural Route Number, City or Town, State, Zip Code) 2424 South Elm Avenue, Sanford, Florida 32771
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20a. METHOD OF DISPOSITION Burial <input type="checkbox"/> <input checked="" type="checkbox"/> Cremation <input type="checkbox"/> Removal from State <input type="checkbox"/> Donation <input type="checkbox"/> Other (Specify)	20b. PLACE OF DISPOSITION (Name of cemetery, crematory, or other place) Atlas Crematory	20c. LOCATION - City or Town, State Rockledge, Florida
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21a. SIGNATURE OF FUNERAL SERVICE LICENSEE OR PERSON ACTING AS SUCH <i>Scott A. ...</i>	21b. LICENSE NUMBER (of Licensee) KA0000214	21c. NAME AND ADDRESS OF FACILITY Orlando Direct Cremation Service PO Box 533853 Orlando, Florida 32853-3853
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22a. To the best of my knowledge, death occurred on the time, date and place and due to the cause(s) as stated. (Signature and Title) <i>Neil M. Finkler</i>	22b. DATE SIGNED (Mo., Day, Yr) 5/15/01	22c. HOUR OF DEATH 3:50 p.m.	23a. On the basis of examination and/or investigation, in my opinion death occurred at the time, date and place and due to the cause(s) and manner as stated. (Signature and Title) <i>Neil M. Finkler</i>	23b. DATE SIGNED (Mo., Day, Yr)	23c. HOUR OF DEATH
---	--	---------------------------------	---	---------------------------------	--------------------

24. NAME AND ADDRESS OF CERTIFIER (PHYSICIAN, MEDICAL EXAMINER) (Type or Print) Finkler, Neil M.D. 2501 North Orange Avenue Orlando, Florida 32804
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25a. SUBREGISTRAR - SIGNATURE AND DATE <i>Walter Smith</i>	25b. LOCAL REGISTRAR - SIGNATURE <i>Walter Smith</i>	25c. CHIEF DEPUTY REGISTRAR	25d. DATE REGISTERED MAY 22 2001
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THIS IS A CERTIFIED TRUE AND CORRECT COPY OF THE OFFICIAL RECORD ON FILE IN THIS OFFICE

*Walter Smith*  
CHIEF DEPUTY REGISTRAR

State Registrar

MAY 22 2001

WARNING

THIS DOCUMENT IS PRINTED ON RECYCLED OR SECURITY PAPER WITH A WATERMARK OF THE GREAT SEAL OF THE STATE OF FLORIDA. DO NOT ACCEPT WITHOUT VERIFYING THE PRESENCE OF THE WATERMARK.

THE OCCIDENT FACE CONTAINS A MULTI-COLOR GREEN BACKGROUND AND GOLD EMBOSSED SEAL. THE BACK OF THE OCCIDENT FACE CONTAINS A MULTI-COLOR GREEN BACKGROUND AND GOLD EMBOSSED SEAL. THE BACK OF THE OCCIDENT FACE CONTAINS A MULTI-COLOR GREEN BACKGROUND AND GOLD EMBOSSED SEAL.



Received Time Apr. 1 10:22AM TION OF VITAL RECORD

DDH FORM 1004 (10/01)

SEMINOLE COUNTY  
HOME PROGRAM  
HOMEOWNER/REHABILITATION PROGRAM ASSISTANCE AGREEMENT

3028  
SEMINOLE CO. FL  
051  
OFFICIAL RECORDS  
BOOK PAGE

Applicant(s): Marie Odom

Property Address: 1112 Oak Avenue, Sanford, FL 32771

This Agreement is entered into this 30th day of November, 19 95 by and between Seminole County, a political subdivision of the State of Florida, whose address is 1101 East First Street, Sanford, Florida, 32771 (hereinafter "COUNTY") and Marie Odom (hereinafter "OWNER").

WITNESSETH:

1. USE OF HOME FUNDS

WHEREAS, the COUNTY has received HOME funds appropriated by the National Affordable Housing Act of 1990, as amended, through the U.S. Department of Housing and Urban Development (hereinafter "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; and

WHEREAS, the COUNTY has agreed to use HOME funds to assist qualified homeowners with rehabilitation assistance through its subrecipient organization hereby known as City of Sanford C D Dept. and hereinafter referred to as "SUBRECIPIENT" and meet the requirements as set forth in 24 CFR Part 92 as amended or waived by HUD.

2. AFFORDABILITY

The property which is the subject of this Agreement shall remain affordable in accordance with COUNTY guidelines for a term as specified in an agreement between the OWNER and the previously identified SUBRECIPIENT which shall be in effect until the first of the following events occurs: (1) borrower sells, transfers or disposes of the assisted unit (by, including but not limited to, sale, transfer or foreclosure); (2) the OWNER no longer occupies the unit as his principal residence; or (3) the OWNER dies, or if a married couple, the survivor dies.

3. REPAYMENTS

The COUNTY shall provide through the SUBRECIPIENT a Deferred Payment Loan in an amount up to \$ 17,480.00 at 0% until the first of the following events occurs: (1) OWNER sells, transfers or disposes of the assisted unit (by, including but not limited to, sale, transfer, bankruptcy or foreclosure); (2) the OWNER no longer occupies the unit as his principal residence; or (3) the OWNER dies, or if a married couple, the survivor dies.

4. UNIFORM ADMINISTRATIVE REQUIREMENTS

The OWNER acknowledges through the affixation of signature(s) below that the SUBRECIPIENT aforementioned must comply with applicable uniform administrative requirements as described in 24 CFR Part 505 and as further described in a separate agreement between the COUNTY and SUBRECIPIENT who in turn may be required to pass certain of these requirements on to the OWNER by separate agreement between the OWNER and the SUBRECIPIENT.

5. PROJECT REQUIREMENT

The COUNTY through the SUBRECIPIENT and the HOMEOWNER agree to comply with HOME regulations as set forth in 24 CFR Part 92 Subpart F, as follows:

(a) The HOMEOWNER(s) have certified that the property shall be his/her/their principal residence and that, at the time of application and approval, his/her/their annual income does not exceed  fifty percent (50%) or  eighty percent (80%) as applicable of the median income for the area, as determined by HUD, with adjustments for family size.

(b) The property is located within the geographical areas of Seminole County, Florida and has an after rehabilitation appraised value equal to or less than ninety-five percent (95%) (90% when used with SHIP funds) of the median purchase price of the area. The COUNTY through its SUBRECIPIENT has

SEMINOLE COUNTY, FL  
RECORDED & VERIFIED

96 FEB -7 PM 12:40

MARYANNE MORSE  
CLERK OF CIRCUIT COURT

803137

*City of Sanford*

reviewed the household income and property value requirements in accordance with the HOME Program requirements and determined the project eligible for funding.

The HOMEOWNER shall maintain the property, including payment of property taxes and homeowners insurance, during the term of affordability.

#### 6. HOUSING AND QUALITY STANDARDS

The property after assistance shall meet Section 8 Housing Quality Standards (HQS), the local building Codes of the jurisdiction having authority and minimum rehabilitation specifications as defined in the COUNTY's Rehabilitation Manual. The COUNTY shall through the SUBRECIPIENT inspect the property to ensure minimum rehabilitation compliance.

#### 7. OTHER PROGRAM REQUIREMENTS

The Homeowner shall comply with all applicable Federal laws and regulations as described in HUD guidelines at 24 CFR Part 92 Subpart H except that the COUNTY shall assume responsibility for the environmental review in 92.352 and the intergovernmental review process in 92.359. Applicable regulations are noted below.

- a) Equal opportunity and fair housing     Applicable     Not Applicable (one unit)
- b) Displacement, relocation and acquisition  
 Not Applicable (activity funded is owner-occupied rehabilitation; therefore no displacement, relocation and acquisition occurred pursuant to Federal rules).
- c) Lead paint  
 Applicable (Home built prior to 1978. Lead-based paint notice has been provided and unit evaluated for lead-based paint existence.)  
 Not Applicable (Unit built during or after 1978.)
- d) Conflict of Interest - no conflict found
- e) Disbarment and suspension -  Applicable - All contracts and lower tier contracts shall include the certification in Appendix B of 24 CFR Part 24 that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from the covered transaction in any proposal submitted.
- f) Flood insurance
- g) Executive Order 12372 - not applicable.

#### 8. AFFIRMATIVE MARKETING

Not applicable due to the nature of the activity (HOMEOWNER Rehabilitation Program).

#### 9. CONDITIONS FOR RELIGIOUS ORGANIZATION

Not applicable due to the nature of the activity (HOMEOWNER Rehabilitation Program).

#### 10. REQUESTS FOR DISBURSEMENT OF FUNDS

The HOMEOWNER agrees that the funds shall only be used as needed for payment of eligible costs and the amount of each request will be limited to the amount needed at time of request. The HOME funds shall be disbursed by the COUNTY through the SUBRECIPIENT upon receipt of properly executed documentation by OWNER and SUBRECIPIENT.

The HOMEOWNER agrees that any work performed by a contractor in accordance with this Agreement shall be performed pursuant to a written contract in the form required by the COUNTY. Further, the unit shall be inspected by the COUNTY for compliance with COUNTY housing and other local codes and regulations in conjunction with SUBRECIPIENT.

Rehabilitation assistance funds shall not be disbursed prior to completion of work and acceptance of the same by the COUNTY through the SUBRECIPIENT.

#### 1. REVERSION OF ASSETS

Not applicable as the homeowner is not a subrecipient.

3028 0512  
SEMIWOLE D. FL.  
OFFICIAL RECORDS  
BOOK PAGE



2. RECORDS AND REPORTS

The COUNTY through the SUBRECIPIENT and the HOMEOWNER shall complete all reports and maintain documentation, as applicable in accordance with 24 CFR Part 92 and Florida Statutes for a period of three (3) years from the end of the affordability term.

3. ENFORCEMENT OF THE AGREEMENT

The loan shall be evidenced by a Memorandum of Agreement and secured by an Agreement between the OWNER and SUBRECIPIENT for the property. Failure by the HOMEOWNER to comply with the terms of this Agreement and the loan documents shall be considered a default and appropriate legal action shall be taken.

4. DURATION OF THE AGREEMENT

This Agreement shall be in effect until the first of the following events occurs: (1) OWNER sells, transfers or disposes of the assisted unit (by, including but not limited to, sale, transfer or foreclosure); (2) the OWNER no longer occupies the unit as his principal residence; or (3) the OWNER dies, or if a married couple, the survivor dies, or for a period of  five (5),  ten (10),  fifteen (15),  twenty (20) or  thirty (30) years, as applicable, depending on the amount of assistance provided.

5. OTHER PROVISIONS

Neither party hereto shall discriminate against any person or group of persons on account of race, sex, creed, color or national origin in the performance of this Agreement.

Nothing contained in this Agreement, or any act of the COUNTY or the HOMEOWNER 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 the COUNTY.

WITNESS:

Mary Veru Mantaris

SEMINOLE COUNTY, FLORIDA

Ron H. Rabun  
RON H. RABUN, County Manager

WITNESSES

Toni Marie Roberts  
Carla Phent

Date: 1/19/96

HOMEOWNER

Marie A. Odom

Date: 11-30-95

3028  
0513  
SEMINOLE CO. FL.  
OFFICIAL RECORDS  
BOOK PAGE

STATE OF Florida )  
COUNTY OF Seminole )

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 1995, by Marie Odom, who is personally known to me or who has produced FLDL 0350-541-29-711-0 as identification.



TONI MARIE ROBERTS  
MY COMMISSION # 00271181 EXPIRES  
March 23, 1997  
CORDED THEN THEY PAY DELINQUENT, INC.

Toni Marie Roberts

Print Name Toni Marie Roberts  
Notary Public in and for the County and State  
Aforementioned.

My commission expires: 3/23/97

Prepared by:

CITY OF SANFORD  
Community Development Dept.  
P.O. BOX 1788  
SANFORD, FL 32772-1788

Fm:legmtstowner

Return to:

CITY OF SANFORD  
Community Development Dept.  
P.O. BOX 1788  
SANFORD, FL 32772-1788

MARYANNE MORSE  
CLERK OF CIRCUIT COURT

SEMINOLE COUNTY, FL  
RECORDED & VERIFIED

803138

96 FEB -7 PM 12:40

OFFICIAL RECORDS  
BOOK PAGE

3028 0514

MEMORANDUM OF AGREEMENT

SEMINOLE CO. FL.

TO WHOM IT MAY CONCERN:

YOU ARE NOTIFIED of an Agreement between Marie Odom as OWNER, whose mailing address is 1112 Oak Avenue, Sanford, Florida 32771, and the SUBGRANTEE, Da not-for-profit corporation Da for-profit corporation existing under the laws of the State of Florida, whose mailing address is P.O. Box 1788, Sanford, Florida 32772-1788, hereinafter referred to as the "SUBGRANTEE." Said Agreement provides that SEMINOLE COUNTY hereinafter referred to as "COUNTY," whose mailing address is 1101 East First Street, Sanford, Florida 32771, and/or SUBGRANTEE shall be entitled to recover certain portions of the proceeds granted through such Agreement should the OWNER transfer title, sell or in any manner dispose of the legally described property within five(5), ten(10), fifteen(15) or twenty(20) year period, as applicable, from the date of this Agreement, after which time the COUNTY and/or the SUBGRANTEE releases any and all interest as identified in the Agreement. The property is located at 1112 Oak Avenue, Sanford, Seminole County, Florida, and is legally described as: The South 50 FT of Lot 3, and all of Lots 4 & 5, Block 13, Tier 5, TOWN OF SANFORD, as recorded in PB 1, PG 56-64, Public Records of Seminole County, Florida.

WITNESSES  
Toni Roberts  
SIGNATURE  
Toni Roberts  
Print Name  
Carla Grant  
SIGNATURE  
Carla Grant  
Print Name

OWNER(S)  
Marie A. Odom  
SIGNATURE  
Marie Odom  
Print Name  
SIGNATURE  
Print Name

STATE OF Florida )  
COUNTY OF Seminole )

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 1995, by Marie Odom and N/A, who are personally known to me or who have produced FD-0350-541-29-711-0 as identification.



TONI MARIE ROBERTS  
MY COMMISSION #A00271161 EXPIRES  
March 23, 1997  
BONDED TO FDU TRUST FARM REHAB, INC.

Toni Marie Roberts  
Print Name Toni Marie Roberts  
Notary Public in and for the County  
and State Aforementioned.

My commission expires: 3/23/97

Return to: (Subrecipient Name and  
Address)

This instrument was prepared by:  
Toni Roberts  
City of Sanford CD Dept.  
P.O. Box 1788, Sanford, FL 32772-1788

City of Sanford CD Dept.  
P.O. Box 1788  
Sanford, FL 32772-1788

Diam. Jared  
(407) 665-1130

**COPY**

SEMINOLE COUNTY HOUSING REHABILITATION PROGRAM  
AGREEMENT  
BETWEEN SUBGRANTEE AND OWNER

THIS AGREEMENT, made and entered into this 30th day of November, 1995 by and between Marie Odom, whose mailing address is 1112 Oak Avenue, Sanford, Florida, hereinafter referred to as the "OWNER" and the SUBGRANTEE,  a not-for-profit corporation or  a for-profit corporation City of Sanford CD Dept., existing under the laws of the State of Florida, whose mailing address is P.O. Box 1788, Sanford, Florida, hereinafter referred to as the "SUBGRANTEE."

W I T N E S S E T H:

WHEREAS, Marie Odom is the OWNER in fee simple of the following described property, to wit: The South 50 Ft of Lot 3, and all of Lots 4 & 5, Block 13, Tier 5, TOWN OF SANFORD, as recorded in PB 1, PG 56-64, Public Records of Seminole County, Florida.

\_\_\_\_\_ ; and

WHEREAS, OWNER has applied to the SUBGRANTEE for a grant, the proceeds of which are to be used solely for payment(s) for improvements upon the above described property in accordance with the plans and specifications submitted to and approved by the SUBGRANTEE and the Seminole County Rehabilitation Specialist; and

WHEREAS, SUBGRANTEE has determined that the OWNER meets all Federal criteria for receipt of a grant pursuant to the terms, conditions and provisions of the Seminole County Housing Rehabilitation Program; and

WHEREAS, OWNER AND SUBGRANTEE agree that except as set forth herein, the OWNER shall not be liable to the SUBGRANTEE for repayment of the grant or any interest thereon; and

WHEREAS, OWNER agrees that the SUBGRANTEE shall be entitled to recover certain portions of the grant should the OWNER transfer title, sell or in any manner dispose of the aforementioned property within a  five(5),  ten(10),  fifteen (15) year period, as applicable, from the date of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. General

(a) The parties agree that no contractor, subcontractor or other provider of labor, materials, or services essential to the completion of this Agreement is an entity owned by a foreign country included in the list of nations that discriminate against United States firms as established by the United States Trade Representative (USTR).

(b) The parties shall not enter into any contract or subcontract with nor use any product from a company or individual from a country included in the USTR list.

(c) The parties agree that disbursement of the grant shall be based on the schedule attached hereto and incorporated herein as Exhibit "C."

(d) This Agreement shall not be construed to make the SUBGRANTEE or Seminole County liable to materialism, contractors, craftsmen, laborers, or others for goods or services delivered by, to or upon said premises or for debts or claims accruing to said parties against the OWNER. It is distinctly understood and agreed that no contractual relationship either expressed or implied between the SUBGRANTEE or Seminole County and any contractors, materialmen, subcontractor, craftsmen, laborer, or any other person supplying work, labor, materials, or services for the job exists.

(e) Disbursements, inspections, and other services rendered by the SUBGRANTEE, Seminole County, or their employees, agents and/or supervisors of construction shall be made and rendered solely for the protection and benefit of the SUBGRANTEE. Neither the OWNER nor any other persons, firm or corporation shall be entitled to claim or recover any loss or damage against the

SUBGRANTEE or Seminole County, their employees, agents, or supervisor of construction because of the failure of the OWNER or any subcontractor, craftsmen, laborer, or dealer to comply with and abide by any contract, agreement or understanding between the OWNER and any other persons, firm or corporation engaged or interested in the construction and completion of the contracted effort.

(f) The provisions of this Agreement shall be binding upon the heirs, successors, assigns and personal representatives of the parties hereto.

(g) The following attachments are incorporated in and made part of this Agreement. Specific attachments include: .....

- (A) Construction Agreement Between Owner And Contractor
- (B) General Conditions
- (C) Draw Schedule
- (D) Work Write-Up Sheet(s)
- (E) Notice of Commencement
- (F) Memorandum of Agreement
- (G) Project Bid Specifications
- (H) Covenant to Comply (Applicable to Rental Units Only)
- (I) Certification Regarding Lobbying

## Section 2. Responsibility of Owner

(a) OWNER acknowledges receipt from the SUBGRANTEE, as funded by Seminole County, of the sum of Seventeen Thousand Four Hundred Eighty & NO/100 DOLLARS (\$ 17,480.00), which is the net proceeds of the grant to be disbursed to the contractor for refurbishment of the subject property.

(b) OWNER agrees that should he or she transfer, sell, or in any manner divest himself or herself of an interest in the above described property within  five(5),  ten(10),  fifteen (15),  twenty (20) year period, as applicable, from the date first above written, the SUBGRANTEE shall be entitled to receive,

from the gross proceeds of the transfer, sale or divestiture, the following sums as reimbursement for the grant.

5-YR Period Elapsed Time	10-YR Period Elapsed Time	15-YR Period Elapsed Time	20-YR Period Elapsed Time	Amount Due SUBGRANTEE and/or Seminole County
One yr.	Two yrs.	Three yrs.	Four yrs.	100%
Two yrs.	Four yrs.	Six yrs.	Eight yrs.	80%
Three yrs.	Six yrs.	Nine yrs.	Twelve yrs.	60%
Four yrs.	Eight yrs.	Twelve yrs.	Sixteen yrs.	40%
Five yrs.	Ten yrs.	Fifteen yrs.	Twenty yrs.	20%

(c) OWNER shall not begin construction on the above described property until a Notice of Commencement is duly filed in the appropriate office of the Clerk of Circuit Court.

(d) OWNER covenants that all improvements made upon the property shall be completed in accordance with the plans, specifications and any supplements thereto within the prescribed time for completion.

(e) OWNER shall collect and provide to the SUBGRANTEE, lien waivers for all work performed and materials provided by subcontractors, suppliers, or their agent(s).

(f) OWNER shall be responsible for providing notices and performing all acts required of the OWNER pursuant to Chapter 713, Florida Statutes. Should the SUBGRANTEE perform and act for the OWNER, the act shall be deemed as having been performed at the request of the OWNER. In no way shall the SUBGRANTEE be liable for acts performed at the request of the OWNER or for failure to perform such acts. All responsibility for compliance with Chapter 713, Florida Statutes, shall remain with the OWNER.

(g) OWNER shall furnish to the SUBGRANTEE, within twenty-four (24) hours (excluding weekends and legal holidays) following

receipt, any copy of notices filed, posted, or served by a lienor, as defined by Chapter 713, Florida Statutes, upon the OWNER.

(h) If the OWNER defaults, or fails to perform in the manner described herein, the SUBGRANTEE may declare its rights under this Agreement terminated and proceed to take whatever action it, in the SUBGRANTEE's sole discretion, deems appropriate to effect completion of the property improvements.

(i) OWNER shall, within three (3) days from receipt of a written notice from the SUBGRANTEE, record a Notice of Contest of Lien with respect to any lien filed on the property described herein by any and all lienors.

### Section 3. Responsibility of SUBGRANTEE

(a) SUBGRANTEE covenants that the OWNER shall not be obligated to repay to the SUBGRANTEE the grant or any interest thereon except as provided in Section 2, Paragraph (b) above.

(b) SUBGRANTEE shall reserve the right to inspect at any time and reject all work performed and materials used in the construction/refurbishment of the property. No payments shall be made for work, materials, or services performed until full acceptance is made by the SUBGRANTEE and the COUNTY.

(c) SUBGRANTEE shall verify that all materials and labor used in the refurbishment of the buildings complies with the contract documents, plans, specifications and any supplements thereto. First class new material and labor which complies with the specifications and is furnished according to the plans shall be accepted by the SUBGRANTEE.

(d) SUBGRANTEE shall not disburse the grant if any of the following situations exist at time of disbursement:

(1) The construction is not in accordance with approved plans and specifications.

(2) Outstanding claims of lien have been filed against the property and not fully satisfied by the OWNER.

(3) Proper affidavits have not been executed and delivered to the SUBGRANTEE as required.

(4) The CONTRACTOR fails to meet any predetermined time frame for requesting payment.

(e) SUBGRANTEE reserves the right to withhold a retainage of ten percent (10%) of the grant to assure completion of all work by the OWNER, contractor(s), subcontractor(s), and/or materialmen. The retainage shall not be released until SUBGRANTEE receives all release of liens and any appropriate discharges as approved by the SUBGRANTEE.

(f) SUBGRANTEE shall assure that refurbishment work complies with the plans, specifications and supplements mutually approved.

(g) SUBGRANTEE and COUNTY shall assure that the rate of progress on the property ensures completion by the agreed upon completion date. SUBGRANTEE and COUNTY shall make the final determination as to claims or questions arising from the construction agreement. Any requests for adjustment of the construction agreement completion date shall be submitted in writing to the SUBGRANTEE and COUNTY who shall make the final decision as to any change in the date.

IN WITNESS THEREOF, the parties hereto have executed this Agreement for the purposes herein expressed on the date and year first above written.



WITNESSES

Toni Roberts  
SIGNATURE

Carlo Anard  
SIGNATURE

OWNER

Marie A. Odom  
SIGNATURE

SIGNATURE

STATE OF Florida )

COUNTY OF Seminole )

The foregoing instrument was acknowledged before me this 30th day of November, 1995, by Marie Odom, who is personally known to me or who has produced FL DL 0350-541-29-771-0 as identification.



Toni Marie Roberts Notary  
Toni Marie Roberts  
BONDED THRU TROY FAIR INSURANCE, INC.

WITNESS

Toni Roberts  
SIGNATURE

SUBGRANTEE

[Signature]  
SIGNATURE, CDD Director

COPY

SEMINOLE COUNTY HOUSING REHABILITATION PROGRAM  
CONSTRUCTION AGREEMENT  
BETWEEN OWNER AND CONTRACTOR

THIS AGREEMENT, made and entered this 30th day of November, 1995, by and between Marie Odom, whose mailing address is 1112 Oak Avenue, Sanford, FL 32771, hereinafter referred to as the "OWNER" and T.D. of Florida, Inc., a Florida corporation, whose mailing address is 500 E. Semoran Blvd Ste 2A, Casselberry, FL 32707, referred to as the "CONTRACTOR."

W I T N E S S E T H:

WHEREAS, Marie Odom is the OWNER in fee simple of the following described property, to wit: The South 50 Feet of Lot 3, and all of Lots 4 & 5, Block 13, Tier 5, TOWN OF SANFORD, as recorded in PB 1, PG 56-64, Public Records of Sem. Co., Florida and

WHEREAS, the OWNER AND CONTRACTOR have reached agreement as set forth hereunder; and

WHEREAS, City of Sanford Comm. Dev. Dept.,  a for-profit,  a not-for-profit corporation whose mailing address is P.O. Box 1788, Sanford, FL 32772-1788, hereinafter referred to as "SUBGRANTEE" is responsible for administering a portion of Seminole County's Housing Rehabilitation Program of which the work provided thereunder is a part.

NOW, THEREFORE, in consideration of the mutual covenants and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. The Work. The CONTRACTOR shall perform all the work required to rehabilitate the above described premises according to the plans and specifications attached hereto and incorporated herein as Exhibit "A," hereinafter referred to as "Work."

Section 2. Time of Commencement and Completion. The Work to be performed hereunder shall commence on \_\_\_\_\_, 19\_\_\_\_ and be completed within seventy (~~70~~) calendar days from

60 (w) MS

the commencement date. If the work is not completed within aforementioned designated calendar days, the parties agree that the sum of FIFTY AND 00/100 DOLLARS (\$50.00) per day shall be deducted from the below described contract sum as liquidated damages and not as a penalty by reason of the failure to complete the Work within the time specified above. In the event the CONTRACTOR fails to complete the construction Work within the above stated time period resulting in a credit or reimbursement for liquidated damages, then in that event, said payment or credit shall be deducted from the grant/loan amount, or Seminole County shall receive the benefit of said liquidated damages provision.

Section 3. Contract Sum. OWNER shall pay the CONTRACTOR for the performance of the Work, subject to additions and deductions by Change Order as provided in the General Conditions, in current funds, the Contract Sum of ~~FIFTEEN THOUSAND EIGHT HUNDRED~~ DOLLARS (\$~~15,800.00~~).

Section 4. Progress Payments. Based upon Applications for Payment submitted to the SUBGRANTEE by the CONTRACTOR as authorized by the OWNER and Certificates for Payment issued by the SUBGRANTEE, the OWNER shall make progress payments on account of the Contract Sum to the CONTRACTOR as follows: One lump sum or per draw schedule. All progress payments shall be subject to a ten percent (10%) retainage. All payments and request for payment shall be contingent on the following:

- (a) Authorization of the OWNER in writing.
- (b) Invoice detailing charges and payment request.
- (c) Inspection by building department having jurisdiction.

SUBGRANTEE and COUNTY verifying proper completion of Work items as invoiced; and inspection by participating lender, if any, as required.

Section 5. Final Payment. OWNER shall make final payment within forty-five (45) days after completion of the Work; provided that the Agreement shall be fully performed and subject to the provisions of Section 4 above and the issuance of a

Certificate of Final Inspection by the City of Sanford; and provided, further, that final payment shall be subject to delivery of satisfactory release of liens or claims for liens by CONTRACTOR, subcontractors, laborers and material suppliers for completed work or installed materials.

Section 6. Foreign Country Contract Award Restrictions. Pursuant to Section 109, Public Law 100-202, the CONTRACTOR or OWNER shall not award contracts, subcontracts and any Work or purchase orders to any business entity whose home office or fifty percent (50%) or more ownership is vested in a country that denies fair trade access to the United States as determined by the United States Trade Representative (USTR) and confirmed by the United States Department of Housing and Urban Development (HUD) and the SUBGRANTEE.

Section 7. Contract Documents. The following contract documents are incorporated hereunder by reference and made a part hereof: (List below the Agreement, conditions of the Contract (General, Supplementary, and other Conditions), Drawings, Specifications, Addenda and accepted Alternates, showing page or sheet numbers in all cases and dates where applicable).

Construction Agreement	5 pages
General Conditions	11 pages
Draw Schedule	1 page
Work Write-Up	___ page(s)
Exhibit A	2 pages
Exhibit B	9 pages
Notice of Commencement	2 pages
Memo of Agreement	1 page
Project Bid Specs	Issued to Contractor
Grant Agreement	8 pages
Covenant to Comply	3 pages
(Applicable to rental units only)	1 page
Certification Regarding Lobbying	

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for the purpose herein expressed on the day and first above written.

WITNESSES  
Toni Roberts  
SIGNATURE  
Toni Roberts  
PRINT NAME  
Carla Grant  
SIGNATURE  
Carla Grant  
PRINT NAME

OWNERS (S)  
Marie A. Odom  
SIGNATURE  
Marie Odom  
PRINT NAME  
SIGNATURE  
PRINT NAME

STATE OF Florida )  
                                  ) ss  
COUNTY OF Seminole )

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of November, 1995, by Marie Odom and via, who are personally known to be or who have produced FLD 0350-541-24-710 as identification.



TONI MARIE ROBERTS  
MY COMMISSION # CC271151 EXPIRES  
March 23, 1997  
BONDED THROUGH TROY FAIR INSURANCE, INC.

Toni Marie Roberts  
Print Name Toni Marie Roberts  
Notary Public in and for the  
County and State Aforementioned.  
My commission expires 3/23/97

WITNESSES  
Toni Roberts  
SIGNATURE  
Toni Roberts  
PRINT NAME  
Charles Rowe  
SIGNATURE  
PRINT NAME

CONTRACTOR  
T.A. of Fla, Inc  
PRINT FIRM NAME  
By: Charles Rowe  
Title: Vice President of Marketing  
Date: 11/30/95

C

CODE OF FEDERAL REGULATIONS  
TITLE 24--HOUSING AND URBAN  
DEVELOPMENT  
SUBTITLE A--OFFICE OF THE SECRETARY,  
DEPARTMENT OF HOUSING AND URBAN  
DEVELOPMENT  
PART 92--HOME INVESTMENT  
PARTNERSHIPS PROGRAM  
SUBPART F--PROJECT REQUIREMENTS  
Current through January 30, 2004; 69 FR 4557

§ 92.254 Qualification as affordable housing:  
homeownership.

(a) Acquisition with or without rehabilitation.  
Housing that is for acquisition by a family must meet  
the affordability requirements of this paragraph (a).

(1) The housing must be single-family housing (1- to  
4-family residence, condominium unit, cooperative  
unit, combination manufactured home and lot, or  
manufactured home lot).

(2) The housing must be modest housing as follows:

(i) In the case of acquisition of newly constructed  
housing or standard housing, the housing has a  
purchase price for the type of single family housing  
that does not exceed 95 percent of the median  
purchase price for the area, as described in paragraph  
(a)(2)(iii) of this section.

(ii) In the case of acquisition with rehabilitation, the  
housing has an estimated value after rehabilitation  
that does not exceed 95 percent of the median  
purchase price for the area, described in paragraph  
(a)(2)(iii) of this section.

(iii) If a participating jurisdiction intends to use  
HOME funds for homebuyer assistance or for  
rehabilitation of owner-occupied single-family  
properties, the participating jurisdiction may use the  
Single Family Mortgage Limits under Section 203(b)  
of the National Housing Act (12 U.S.C. 1709(b))  
(which may be obtained from the HUD Field Office)

or it may determine 95 percent of the median area  
purchase price for single family housing in the  
jurisdiction, as follows. The participating jurisdiction  
must set forth the price for different types of single  
family housing (1- to 4-unit family residence,  
condominium unit, cooperative unit, combination of  
manufactured housing and lot or manufactured  
housing lot) for the jurisdiction. The 95 percent of  
median area purchase price must be established in  
accordance with a market analysis which ensured that  
a sufficient number of recent housing sales are  
included in the survey. Sales must cover the requisite  
number of months based on volume: For 500 or  
more sales per month, a one-month reporting period;  
for 250 through 499 sales per month, a two-month  
reporting period; for less than 250 sales per month,  
at least a three-month reporting period. The data  
must be listed in ascending order of sales price. The  
address of the listed properties must include the  
location within the participating jurisdiction. Lot,  
square and subdivision data may be substituted for  
the street address. The housing sales data must  
reflect all, or nearly all, of the one-family house sales  
in the entire participating jurisdiction. To determine  
the median, take the middle sale on the list if an odd  
number of sales and if an even number, take the  
higher of the middle numbers and consider it the  
median. After identifying the median sales price, the  
amount should be multiplied by .95 to determine the  
95 percent of the median area purchase price. This  
information must be submitted to the HUD Field  
Office for review.

(3) The housing must be acquired by a homebuyer  
whose family qualifies as a low-income family and  
the housing must be the principal residence of the  
family throughout the period described in paragraph  
(a)(4) of this section.

(4) Periods of affordability. The HOME-assisted  
housing must meet the affordability requirements for  
not less than the applicable period specified in the  
following table, beginning after project completion.  
The per unit amount of HOME funds and the  
affordability period that they trigger are described  
more fully in paragraphs (a)(5)(i) (resale) and (ii)  
(recapture) of this section.

-----  
Homeownership assistance HOME amount per-unit

Minimum period of

affordability in years

---

Under \$15,000 .....	5
\$15,000 to \$40,000 .....	10
Over \$40,000 .....	15

---

(5) Resale and recapture. To ensure affordability, the participating jurisdiction must impose either resale or recapture requirements, at its option. The participating jurisdiction must establish the resale or recapture requirements that comply with the standards of this section and set forth the requirements in its consolidated plan. HUD must determine that they are appropriate.

(i) Resale. Resale requirements must ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale requirement must also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. The period of affordability is based on the total amount of HOME funds invested in the housing.

(A) Except as provided in paragraph (a)(5)(i)(B) of this section, deed restrictions, covenants running with the land, or other similar mechanisms must be used as the mechanism to impose the resale requirements. The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. The participating jurisdiction may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

(B) Certain housing may be presumed to meet the resale restrictions (i.e., the housing will be available

and affordable to a reasonable range of low-income homebuyers; a low-income homebuyer will occupy the housing as the family's principal residence; and the original owner will be afforded a fair return on investment) during the period of affordability without the imposition of enforcement mechanisms by the participating jurisdiction. The presumption must be based upon a market analysis of the neighborhood in which the housing is located. The market analysis must include an evaluation of the location and characteristics of the housing and residents in the neighborhood (e.g., sale prices, age and amenities of the housing stock, incomes of residents, percentage of owner-occupants) in relation to housing and incomes in the housing market area. An analysis of the current and projected incomes of neighborhood residents for an average period of affordability for homebuyers in the neighborhood must support the conclusion that a reasonable range of low-income families will continue to qualify for mortgage financing. For example, an analysis shows that the housing is modestly priced within the housing market area and that families with incomes of 65% to 80% of area median can afford monthly payments under average FHA terms without other government assistance and housing will remain affordable at least during the next five to seven years compared to other housing in the market area; the size and amenities of the housing are modest and substantial rehabilitation will not significantly increase the market value; the neighborhood has housing that is not currently owned by the occupants, but the participating jurisdiction is encouraging homeownership in the neighborhood by providing homeownership assistance and by making improvements to the streets, sidewalks, and other public facilities and services. If a participating jurisdiction in preparing a neighborhood revitalization strategy under § 91.215(e)(2) of its consolidated plan or Empowerment Zone or Enterprise Community application under 24 CFR part 597 has incorporated the type of market data described above, that submission may serve as the required analysis under this section. If the participating jurisdiction continues to provide

homeownership assistance for housing in the neighborhood, it must periodically update the market analysis to verify the original presumption of continued affordability.

(ii) Recapture. Recapture provisions must ensure that the participating jurisdiction recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability. The participating jurisdiction may structure its recapture provisions based on its program design and market conditions. The period of affordability is based upon the total amount of HOME funds subject to recapture described in paragraph (a)(5)(ii)(A)(5) of this section.

(A) The following options for recapture requirements are acceptable to HUD. The participating jurisdiction may adopt, modify or develop its own recapture requirements for HUD approval.

(1) Recapture entire amount. The participating jurisdiction may recapture the entire amount of the HOME investment from the homeowner.

(2) Reduction during affordability period. The participating jurisdiction may reduce the HOME investment amount to be recaptured on a prorata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.

(3) Shared net proceeds. If the net proceeds are not sufficient to recapture the full HOME investment (or a reduced amount as provided for in paragraph (a)(5)(ii)(A)(2) of this section) plus enable the homeowner to recover the amount of the homeowner's downpayment and any capital improvement investment made by the owner since purchase, the participating jurisdiction may share the net proceeds. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

(4) Owner investment returned first. The participating jurisdiction may permit the homebuyer to recover the homebuyer's entire investment (downpayment and capital improvements made by the owner since purchase) before recapturing the HOME investment.

(5) Amount subject to recapture. The HOME

investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy). The recaptured funds must be used to carry out HOME-eligible activities in accordance with the requirements of this part. If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used.

(6) Special considerations for single-family properties with more than one unit. If the HOME funds are only used to assist a low-income homebuyer to acquire one unit in single-family housing containing more than one unit and the assisted unit will be the principal residence of the homebuyer, the affordability requirements of this section apply only to the assisted unit. If HOME funds are also used to assist the low-income homebuyer to acquire one or more of the rental units in the single-family housing, the affordability requirements of § 92.252 apply to assisted rental units, except that the participating jurisdiction may impose resale or recapture restrictions on all assisted units (owner-occupied and rental units) in the single family housing. If resale restrictions are used, the affordability requirements on all assisted units continue for the period of affordability. If recapture restrictions are used, the affordability requirements on the assisted rental units may be terminated, at the discretion of the participating jurisdiction, upon recapture of the HOME investment. (If HOME funds are used to assist only the rental units in such a property then the requirements of § 92.252 would apply and the owner-occupied unit would not be subject to the income targeting or affordability provisions of § 92.254.)

(7) Lease-purchase. HOME funds may be used to assist homebuyers through lease-purchase programs for existing housing and for housing to be constructed. The housing must be purchased by a homebuyer within 36 months of signing the lease-purchase agreement. The homebuyer must qualify as a low-income family at the time the lease-purchase agreement is signed. If HOME funds are used to acquire housing that will be resold to a homebuyer through a lease-purchase program, the HOME affordability requirements for rental housing in § 92.252 shall apply if the housing is not transferred to a homebuyer within forty-two months after project completion.



(8) Contract to purchase. If HOME funds are used to assist a homebuyer who has entered into a contract to purchase housing to be constructed, the homebuyer must qualify as a low-income family at the time the contract is signed.

(b) Rehabilitation not involving acquisition. Housing that is currently owned by a family qualifies as affordable housing only if:

(1) The estimated value of the property, after rehabilitation, does not exceed 95 percent of the median purchase price for the area, described in paragraph (a)(2)(iii) of this section; and

(2) The housing is the principal residence of an owner whose family qualifies as a low-income family at the time HOME funds are committed to the housing.

(c) Ownership interest. The ownership in the housing assisted under this section must meet the definition of "homeownership" in § 92.2.

(d) New construction without acquisition. Newly constructed housing that is built on property currently owned by a family which will occupy the housing upon completion, qualifies as affordable housing if it meets the requirements under paragraph (a) of this section.

[67 FR 61756, Oct. 1, 2002; 68 FR 10161, March 4, 2003]

<General Materials (GM) - References, Annotations,  
or Tables>

24 C. F. R. § 92.254

24 CFR § 92.254

END OF DOCUMENT