

FLORIDA HOUSING FINANCE CORPORATION
HOP Program
Homebuyer / Homeowner Assistance Agreement

BORROWER: _____

PROPERTY ADDRESS: _____

THIS AGREEMENT is entered into this _____ day of _____, 2____ by and between the Florida Housing Finance Corporation, a Corporation and instrumentality of the State of Florida, (hereinafter referred to as "Florida Housing"), and _____ (hereinafter referred to as the "Borrower").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

- A. WHEREAS, Section 420.5088, Fla. Stat. authorizes the Corporation to make loans in the administration of the Florida Homeownership Assistance Program (HAP) and Section 420.5089, Fla. Stat., authorizes the Corporation to make loans in the administration of the HOME Investment Partnerships Program (HOME);
- B. WHEREAS, the State of Florida has been designated by the United States Department of Housing and Urban Development as a participating jurisdiction for the receipt and use of funds as provided by the HOME Program, as provided in 24 CFR Part 92; and
- C. WHEREAS, the Corporation has agreed to use of either HAP or HOME funds to assist with the financing of homes under the Homeownership Pool (HOP) Program.

NOW, THEREFORE, Florida Housing and the Borrower do mutually agree with the following:

- (1) **Form of Assistance:** HOP funds will be used as a zero percent (0.00%) interest, deferred principal, subordinate mortgage loan in the amount of \$ _____ to assist with the purchase of a new home.
- (2) **Use of Funds:** The HOP funds will be used as down payment and closing costs assistance or principal reduction of the first mortgage loan.
- (3) **Borrower Occupancy Requirement:** The Borrower must occupy the home as their principal/primary residence throughout the affordability period as prescribed in 24 CFR Part 92.254(a)(4) and further described below in provision (4) of this Agreement.
- (4) **Affordability:** The affordability period is based on the amount of HOME subsidy that is invested in the home. Please reference the chart below:

HOME Subsidy Investment	Affordability Period (years)
\$14,999 and under	5
\$15,000 up to \$40,000	10
\$40,001 and up	15

The Borrower must occupy the home throughout the duration of the affordability period pursuant to 24 CFR Part 92.254(a)(4). Additionally, the Borrower must occupy the home as their principal residence beyond the affordability period mentioned above, to comply with the terms of Florida Housing's loan. Failure to comply with the provisions set forth constitutes a default and may result in repayment of the loan as referenced in provisions (5) and (6) below.

- (5) **Repayment/Recapture:** The entire amount of the HOP loan is required to be repaid upon the Maturity Date, which is fifty (50) years from the date of the mortgage, unless one of the following events occurs first: (a) the Borrower sells, transfers or disposes of the property or home (either by sale transfer, bankruptcy, foreclosure or the like); (b) the Borrower, or if the Borrower is married, the survivor of the Borrower or the Borrower's spouse, dies; or (c) the Borrower refinances the first mortgage loan at which time the remaining principal balance is due unless the Mortgagee agrees to the subordination of its mortgage loan to the new first mortgage loan (not applicable to loans financed via Florida Housing's First Time Homebuyer Program). If the sale of the unit does not have sufficient proceeds to cover the original HOME investment, the amount recaptured will be the net proceeds (i.e., the sales price minus superior loan repayment, other than HOME funds and closing costs).
- (6) **Noncompliance:** During the affordability period, noncompliance occurs when the Borrower vacates the home or rents the home to another household, or sells or transfers the home without Florida Housing receiving recaptured funds due at time of sale. In the event of noncompliance, the Borrower is subject to repay the entire amount of the HOP loan.

(7) Project Requirement:

- (a) **Maximum Purchase Price.** The maximum purchase price of the home which is currently at \$ _____ for _____ County cannot exceed 95% of the median purchase price for the area using Federal Housing Administration (FHA) single family mortgage program data for newly construction housing, with a minimum limit based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas.
- (b) **Income Limits.** The Borrower understands that HOP funds cannot be loaned to anyone whose income exceeds 80% of the Area Median Income (AMI). The Borrower certifies that their income of \$ _____ is at or below 80% of _____ County's AMI.
- (c) **The Borrower must occupy the property within sixty (60) days of closing on the first mortgage loan.**

Any violation of this Agreement which remains uncured after the expiration of 30 days after Florida Housing shall have notified the Borrower of the violation by certified mail may, at the option of Florida Housing, be addressed by an action for damages or equitable relief, including, but not limited to, a foreclosure on any mortgage or security interest, an action to recover unpaid principal, accrued interest and fees, sale, transfer, lease or conveyance of any property seized as a result of the legal actions described above or any other legal remedy provided in law or equity. In addition to the above, if the Borrower materially fails to comply with the terms of this Agreement, the Corporation may suspend or terminate the Agreement in accordance with 24 CFR 85.43 and 85.44.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed by their undersigned officials as duly authorized.

BORROWER(S)

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

DATE: _____

DATE: _____

Social Security Number: _____

Social Security Number: _____

Witnessed by Participant:

Signature: _____

Printed Name and Title: _____

Institution: _____

Date: _____

Date of Acceptance by the Florida Housing Finance Corporation:

Signature: _____

Printed Name and Title: _____

Date: _____