



**BOARD OF SUPERVISORS AGENDA ITEM REPORT**  
**CONTRACTS / AWARDS / GRANTS**

**Requested Board Meeting Date:** 5/3/2016

**or Procurement Director Award** ☐

**Contractor/Vendor Name:** Habitat for Humanity Tucson  
**(DBA):**

**Project Title/Description:**

Corazon Del Pueblo 2016 - Habitat Homebuyer Down Payment Assistance

**Purpose:**

The contract provides for direct down payment assistance to three low-income Habitat for Humanity homebuyers purchasing newly constructed Habitat homes at the Corazon Del Pueblo subdivision.

**Procurement Method:**

HOME Grant Notice of Funds - 2015 Annual Action Plan

**Program Goals/Predicted Outcomes:**

Three low-income families will purchase affordable single-family homes from Habitat for Humanity.

**Public Benefit:**

Affordable homeownership housing.

**Metrics Available to Measure Performance:**

The HUD HOME Program requires long-term affordability provisions designed to protect the homebuyer and the investment of federal funds. In order to meet these requirements the down payment assistance will be provided in the form of a forgivable loan that is secured by a Deed of Trust and Assignment of Rents recorded on the property.

**Retroactive:**

No

**Original Information**

Document Type: CT Department Code: CD Contract # (i.e.,15-123): 16000000000000000301

Effective Date: 5/3/2016 Termination Date: 5/2/2017 Prior Contract Number (Synergen/CMS):

☒ Expense Amount: \$60,000

☐ Revenue Amount: \$

U.S. Department of Housing and Urban Development (HUD) - Home Investment

Funding Source(s): Partnership Program (HOME Program)

Cost to Pima County General Fund: 0

Contract is fully or partially funded with Federal Funds? ☒ Yes ☐ No ☐ Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? ☐ Yes ☒ No ☐ Not Applicable to Grant Awards

Vendor is using a Social Security Number? ☐ Yes ☒ No ☐ Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

**Amendment Information**

Document Type: Department Code: Contract Number (i.e.,15-123):

Amendment No.:

AMS Version No.:

Effective Date:

New Termination Date:

To: COB - 4.22.16 (2)

Ver. - 1

Pgs. - 40

Addendum

APR 22 16 PM 02:06 PC CLK/CFH

☐Expense ☐Revenue ☐Increase ☐Decrease

Amount This Amendment:

Funding Source(s):

Cost to Pima County General Fund: \$

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Contact: Marcos Ysmael, Community Development Housing Planner III

Department: Community Development & Neighborhood Conservation

Telephone: 724-2462

Department Director Signature/Date:

*Margaret M. Kuc*

04/18/2016

Deputy County Administrator Signature/Date:

*Paul*

4/21/2016

County Administrator Signature/Date:

(Required for Board Agenda/Addendum Items)

*C. Deuelbaum*

4/21/16

**PIMA COUNTY COMMUNITY DEVELOPMENT AND  
NEIGHBORHOOD CONSERVATION DEPARTMENT**

<b>CONTRACT</b>
<b>NO. <u>CT-CD-16-301</u></b>
<b>AMENDMENT NO. _____</b>
<small>This number must appear on all invoices, correspondence and documents pertaining to this contract.</small>

**Program/Project Name:** Corazon Del Pueblo 2016

**Contractor:** Habitat For Humanity Tucson, Inc.

**DUNS No.:** 148805864

**Project Description:** Provide Down Payment Assistance to Habitat For Humanity Homebuyers

**Contract Term:** May 3, 2016, or upon execution by the Pima County Board of Supervisors, whichever is later, through May 2, 2017

**Amount:** \$60,000.00

**Funding:** U.S. Department of Housing and Urban Development (HUD) - Home Investment Partnership Program (HOME Program)

CFDA	Program Description	National Funding	Pima County/City of Tucson Consortium Award
14.239	HOME Program	\$912,808,851.00	\$2,375,365.00

**Is this a Research and Development Contract:** ☐ Yes ☒ No

This Agreement is entered into by and between Pima County, a body politic and corporate of the State of Arizona ("County") and Habitat For Humanity Tucson, Inc., a non-profit corporation doing business in the State of Arizona ("Developer").

**RECITALS**

- A. In 1992 County and the City of Tucson ("City") formed the Pima County/City of Tucson Consortium under Pima County Contract No. CTN-CD-13\*383 ("the Consortium") and obtained federal HOME Investment Partnership Program ("HOME") funds from the U.S. Department of Housing and Urban Development ("HUD").
- B. The Consortium annually receives HOME funds from HUD for homeownership assistance programs in Pima County.
- C. Both County and City may utilize a portion of the Consortium's HOME funds for qualified projects within their respective jurisdictions.
- D. In May, 2015 the Consortium issued notice that applications for HOME funding were being accepted
- E. Contractor, who has successfully developed affordable housing projects in Pima County, submitted a qualified proposal for HOME funds.
- F. Developer is a qualified, eligible HOME Program Developer because they develop affordable housing for qualified low income families.
- G. Developer will use HOME funds to provide down-payment assistance to low-income buyers for three (3) soon to be constructed single-family homes in the Corazon Del Pueblo Subdivision ("the Project").

- H. The Project qualifies as a HOME eligible “Developer” activity under 24 CFR Part 92.
- I. The Pima County Board of Supervisors finds that the provision of down-payment assistance for the Project is an appropriate and beneficial use of the County’s HOME funding.
- J. The Pima County Board of Supervisors further finds that this use of HOME funds is consistent with the Annual Plan of the Consortium that was submitted to and approved by the HUD.
- K. Developer is qualified and able to provide down-payment assistance and homebuyer education to the qualified eligible low-income first-time homebuyers who purchase the three homes constructed for the Project.

NOW THEREFORE, County and Developer, pursuant to the above, and in consideration of the matters and things hereinafter set forth, do mutually agree as follows:

## 1.0 TERM AND EXTENSIONS

- 1.1 This Agreement, as awarded by County, will commence on May 3, 2016 or upon execution by the Pima County Board of Supervisors, whichever is later and will terminate on May 2, 2017, unless sooner terminated or further extended pursuant to the provisions of this Agreement. County will have the option to renew this Agreement for up to one (1) 12-month period or any portion thereof.
- 1.2 Except as set forth in Paragraph 1.4 below, any modification or extension of the contract termination date must be by formal written amendment executed by the parties hereto.
- 1.3 Any amendments to the Agreement must be approved by the County before any services under the amendment commences.
- 1.4 Minor modifications may be made by written memorandum approved and signed by the Director of the Pima County Community Development and Neighborhood Conservation Department or designee. Minor modifications are changes in the scope or budget, which do not change the specified purpose, outcomes or the total compensation provided through this Agreement and do not in any way increase the direct or indirect liability of the County under this Agreement.
- 1.5 Notwithstanding paragraph 1.1 above, the terms of this Agreement will survive and remain in effect during any period that Developer has control over HOME funds, including program income.

## 2.0 SCOPE OF SERVICES

- 2.1 Developer will:
  - 2.1.1 Provide the County with the services described in the attached **Exhibit A**.
  - 2.1.2 Employ suitably trained and skilled personnel to perform all services under this Agreement.
  - 2.1.3 Perform its duties in a humane and respectful manner and in accordance with any applicable professional standards. Developer must obtain and maintain all applicable licenses, permits and authority required for its performance under this Agreement.
  - 2.1.4 Unless otherwise provided for herein, the personnel delivering Agreement services will:
    - 2.1.4.1 Be employees or volunteers of the Developer;
    - 2.1.4.2 Satisfy any qualifications set forth in this Agreement; and
    - 2.1.4.3 Be covered by personnel policies and practices of Developer.
  - 2.1.5 Obtain and maintain all required licenses, permits and authority required for performance under this Agreement.

- 2.1.6 Maintain an accounting manual that describes its financial procedures in sufficient detail to ensure that its financial practices are easily understood.
- 2.1.7 Undertake the same obligations to the COUNTY, as the COUNTY does to HUD pursuant to the 2014 - 2015 Annual Action Plan and assurances. AWARDEE will hold COUNTY harmless against any injury that COUNTY may suffer with respect to HUD on account of any failure on the part of AWARDEE to fulfill obligations to HUD.
- 2.2 Confidentiality. Developer:
  - 2.2.1 Understands that client and applicant files and information collected pursuant to the terms of this Agreement are private and the use or disclosure of such information, when not directly connected with the administration of County's or Developer's responsibilities with respect to services provided under this Agreement is prohibited, unless written consent is obtained from the individual or, in the case of a minor, from the responsible parent or guardian.
  - 2.2.2 Will provide access to these files only to persons properly authorized.
  - 2.2.3 Will observe and abide by all applicable State and Federal statutes and regulations regarding use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contract services.
- 2.3 Developer certifies that no individual or agent has been employed or retained to solicit or secure this Agreement for commission, percentage, brokerage or contingent fee except a bona fide employee whose job duties include securing business.
- 2.4 No program funded under this Agreement may impair existing contracts for services or collective bargaining agreements or be inconsistent with the terms of a collective bargaining agreement without the written concurrence of the labor organization and employer concerned.

### **3.0 MONITORING AND EVALUATION**

- 3.1 County will monitor all activities and information sources in the management, fiscal, and services systems of Developer and any subcontracted parties relating to performance of duties and obligations under this Agreement to ensure that Developer is:
  - 3.1.1 Making adequate and acceptable progress in the provision of services;
  - 3.1.2 Maintaining adequate and acceptable systems to document services and expenditures; and
  - 3.1.3 Using the funds provided pursuant to this Agreement effectively and efficiently to accomplish the purposes for which funds were made available.
- 3.2 For monitoring and evaluation, Developer must provide source documentation for payroll which may include, but is not limited to:
  - 3.2.1 Employment letters;
  - 3.2.2 Authorization for rates of pay, benefits, and withholding;
  - 3.2.3 Minutes from Board of Directors' meetings establishing salary schedules and benefit packages;
  - 3.2.4 Copies of written policies;
  - 3.2.5 W-4 forms and associated time and attendance records;
  - 3.2.6 Employee certifications of time spent;

- 3.2.6.1 If an employee of Developer works solely on the services being funded by HOME, the employee and the employee's supervisor must sign a statement every six months certifying that the employee worked only on the HOME-funded services.
- 3.2.6.2 If an employee's time is split between the services being funded by HOME and non-HOME services and funding sources, Developer must have time distribution records supporting the allocation of charges among the various funding sources.
- 3.3 Developer must cooperate in the monitoring and evaluation process by County and/or HUD.
- 3.4 Developer must assist County in providing reports and documentation related to Developer's performance and, where applicable, the impact of the HOME-funded activities on the community, to HUD.
- 3.5 If monitoring and evaluation finds that Developer's performance is substandard, Developer will be in default of this Agreement. If Developer fails to take appropriate actions to correct the default within fifteen (15) calendar days from date of notice, this Agreement may be suspended or terminated.
- 3.6 To the greatest extent permissible by law, County, and any authorized federal, state or local agency, including, but not limited to, the U.S. Department of Housing and Urban Development, and the Comptroller of the United States will at all reasonable times have the right of access to Developer's facility, books, documents, papers, or other records which are pertinent to this Agreement, in order to make audits, examinations, excerpts and transcripts for the purpose of evaluating Developer's performance and Developer's compliance with this Agreement.

#### **4.0 COMPENSATION AND PAYMENT**

- 4.1 In consideration for services specified in **Exhibit A** of this Agreement, County agrees to pay Developer **up to \$60,000.00** ("the Maximum Allocated Amount").
- 4.2 Payment will be made from the HOME Grant County has received from the U.S. Department of Housing and Urban Development ("the awarding agency").
- 4.3 Payment of the full Maximum Allocated Amount is subject to the HOME funds being made available to County for this Agreement. The Maximum Allocated Amount may be decreased at any time due to reduction, termination, or any other changes in funding. Unless specifically authorized by County, unexpended funds will not be carried over into another fiscal year.
- 4.4 Requests for reimbursement must:
  - 4.4.1 Reference this contract number.
  - 4.4.2 Be approved and signed by an authorized representative of the Developer.
  - 4.4.3 Be for services and costs as identified in **Exhibit A**.
  - 4.4.4 Be submitted only upon completion of an environmental review as described in section 8.2, below.
  - 4.4.5 Be accompanied by documentation which must include, but is not limited to:
    - 4.4.5.1 A payment request and summary report of monthly expenditures by expense categories as shown in **Exhibit B** of this Agreement.
    - 4.4.5.2 Copies of invoices and checks (front and back) to support all purchases of goods or services.
    - 4.4.5.3 Copy of executed Purchase Contract including all addenda.

- 4.4.5.4 Executed copy of Pima County HOME Program Homebuyer Assistance Program Agreement attached as **Exhibit C**.
  - 4.4.5.5 Executed and complete copy of Homebuyer Income Certification
  - 4.4.5.6 HUD Homebuyer Set Up and Completion Form
  - 4.4.5.7 HUD-1 Settlement Statement (Final)
  - 4.4.5.8 Executed and Recorded copy of the Deed of Trust and Assignment of Rents attached as **Exhibit D**.
  - 4.4.5.9 If applicable, Developer report confirming value of sweat equity applied to the homebuyer's acquisition.
  - 4.4.5.10 Certificate of Completion of Homebuyer Education from a Pima County HUD approved housing counseling agency.
  - 4.4.5.11 Any other documentation requested by County.
- 4.5 If Developer is required to provide matching funds under the terms of the awarding agency, Developer must also provide the documentation described in Paragraph 4.6 for the matching funds.
- 4.6 **Developer must utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.** Developer may not bill the County for costs which are paid by another source. Developer must notify County within ten (10) days of receipt of alternative funding for costs which would otherwise be subject to payment pursuant to this Agreement.
- 4.7 If each request for payment includes adequate and accurate documentation, County will generally pay Developer within thirty (30) days from the date invoice is received. Developer should budget cash needs accordingly.
- 4.8 County may, at its sole discretion:
- 4.8.1 Determine the acceptability and progress of work performed and determine the resulting entitlement to payment of each request for reimbursement.
  - 4.8.2 Liquidate funds available under this Agreement for costs incurred by County on behalf of Developer.
  - 4.8.3 **Deny full payment** for requests for reimbursement that are submitted to County after the date set forth in Paragraph 3.4. County may deduct its processing costs or delay-related damages in connection with a request for payment submitted after that date.
  - 4.8.4 **Deny payment** for any request for reimbursement.
- If payment is made on such a delinquent request, **County will deduct its processing costs or delay-related damages.**
- 4.9 Pursuant to A.R.S. § 11-622, COUNTY **will deny reimbursement completely** for requests for payment made later than six months after the last item of the account accrues.
- 4.10 **REQUEST FOR FINAL PAYMENT** for compensation earned and/or eligible costs incurred will be submitted to the County within **15 working days after the end of the contract term**. The request must meet the requirements set forth in Paragraph 3.4 and include a report summarizing Developer's performance during the term of the Agreement.
- 4.11 **No payments will be made to Developer, until all of the following conditions are met:**
- 4.11.1 Developer has completed and submitted a W-9 Taxpayer Identification Number form;
  - 4.11.2 Developer has registered as a Pima County Vendor at the following web address -- <https://secure.pima.gov/procurement/vramp/login.aspx>;

- 4.11.3 This Agreement is fully executed; and
- 4.11.4 Adequate and accurate documentation is provided with each request for payment or invoice.
- 4.12 Developer will report to County:
  - 4.12.1 Accrued expenditures;
  - 4.12.2 Program income, as defined by the awarding agency; and
  - 4.12.3 All other fiscal resources applied to expenses incurred in providing services under this Agreement.
- 4.13 Changes between budget line items may only be made as follows:
  - 4.13.1 Changes of LESS than 10% of the total budget amount may be granted by and at the sole discretion of the Director of Community Development and Neighborhood Conservation or designee. Developer must submit a written request and show that any proposed increase is offset by a decrease of equal value to the remaining line items. No increase to the total operating budget will be allowed. **The change will not be effective, nor will compensation under the change be provided, until the date set forth in the written approval of the Director or designee.**
  - 4.13.2 Changes of MORE than 10% of the total budget will require a contract amendment. **The change will not be effective, nor will compensation under the change be provided, until the contract amendment is fully executed by both parties.**
- 4.14 Disallowed Charges or Cost principles will be as follows:
  - 4.14.1 The cost principle set forth in the Code of Federal Regulations (CFR), Title 48, Chapter 1, Part 31.201-6, (October 1, 1991), as modified by amendments and additions, on file with the Secretary of State and incorporated herein by reference, will be used to determine the allowability of incurred costs for the purpose of reimbursing costs under Agreement provisions which provide for the reimbursements of costs. Those costs which are specifically defined as unallowable therein cannot be submitted for reimbursement by the Developer and will not be reimbursed with Department funds.
  - 4.14.2 **Developer must reimburse County for improper, unallowable or unsubstantiated costs discovered as a result of audit or otherwise within thirty (30) days following demand for reimbursement by County.**
- 4.15 For the period of record retention required under Section 20.0 -- Books and Records, County reserves the right to question any payment made under this Section 20.0 and to require reimbursement by setoff or otherwise for payments determined to be improper or contrary to the Agreement or law.

## 5.0 PROGRAM INCOME

- 5.1 County does not anticipate that Developer will generate program income, as defined by the awarding agency, will be generated under the activities of this Agreement.
- 5.2 In the event that activities under this Agreement do generate program income or program income is authorized, Developer must:
  - 5.2.1 Report to County all program income, as defined at 24 CFR 92.503, generated and received as a result of activities carried out with the HOME-funds provided pursuant to this Agreement. These reports are due quarterly.
  - 5.2.2 Return program income to County within 15 days of the end of each month, unless otherwise specified in **Exhibit A**.



## 6.0 INSURANCE

6.1 Pima County in no way warrants that the minimum limits contained herein are sufficient to protect the Developer from liabilities that might arise out of the performance of the work under this Agreement by the Developer, its agents, representatives, employees or subcontractors, and Developer is free to purchase additional insurance.

6.2 Minimum Scope and Limits of Insurance: Developer must have coverage with limits of liability not less than those stated below.

### 6.2.1 Commercial General Liability – Occurrence Form

6.2.1.1 Policy must include bodily injury, property damage, personal injury and broad form contractual liability.

General Aggregate	\$2,000,000.00
Products – Completed Operations Aggregate	\$1,000,000.00
Personal and Advertising Injury	\$1,000,000.00
Blanket Contractual Liability – Written and Oral	\$1,000,000.00
Fire Legal Liability	\$ 50,000.00
Each Occurrence	\$1,000,000.00

6.2.1.2 Policy must be endorsed to **include coverage for sexual abuse and molestation.**

6.2.1.3 Policy must be endorsed to include the following additional insured language:  
**“Pima County is named an additional insured with respect to liability arising out of the activities performed by or on behalf of the Primary Insured”.**

6.2.1.4 Policy must contain a waiver of subrogation against Pima County, its departments, agencies, boards, commissions, and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Developer.

6.2.2 Automobile Liability: Policy must include bodily Injury and property damage for any owned, hired, and/or non-owned vehicles used in the performance of this Agreement.

6.2.2.1 Combined Single Limit (CSL) \$1,000,000.00

6.2.2.2 Policy must be endorsed to include the following additional insured language: **“Pima County is named an additional insured with respect to liability arising out of the activities performed by or on behalf of the Developer, involving automobiles owned, leased, hired or borrowed by the Developer”.**

6.2.2.3 Policy must contain a waiver of subrogation against Pima County, its departments, agencies, boards, commissions and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Developer.

### 6.2.3 **Worker's Compensation and Employers' Liability**

6.2.3.1 Workers' Compensation Amount required by statute

6.2.3.2 Employers' Liability:

Each Accident	\$ 500,000.00
Disease – Each Employee	\$ 500,000.00
Disease – Policy Limit	\$1,000,000.00

6.2.3.3 Policy must contain a waiver of subrogation against Pima County, its departments, agencies, boards, commissions and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Developer.

6.2.3.4 This requirement will not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

6.3 Additional Insurance Requirements: The policies must contain, or be endorsed to contain, the following provisions:

- 6.3.1 Pima County, wherever additional insured status is required, will be covered to the full limits of liability purchased by Developer, even if those limits of liability are in excess of those required by this Agreement.
  - 6.3.2 Developer's insurance coverage will be primary insurance and non-contributory with respect to all other available sources.
  - 6.3.3 Coverage provided by the Developer will not be limited to the liability assumed under the indemnification provisions of this Agreement.
  - 6.3.4 The Project Name/Agreement Number and project description must be noted on the Certificate of Insurance.
  - 6.3.5 All Certificates of Insurance are to be received and approved by Pima County before work commences.
- 6.4 Notice of Cancellation: Each insurance policy required by the insurance provisions of this Agreement must provide the required coverage and must not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to Pima County. Such notice must be sent directly to the **Pima County CDNC, Attn: Department Director, 2797 E. Ajo Way, 3<sup>rd</sup> Floor, Tucson, AZ 85713** by certified mail, return receipt requested.
- 6.5 Acceptability of Insurers: Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona and County in no way warrant that the above-required minimum insurer rating is sufficient to protect the Developer from potential insurer insolvency.
- 6.6 Approval and Modifications: Pima County Risk Management reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Agreement amendment but may be made by administrative action.

## 7.0 INDEMNIFICATION

- 7.1 Developer will indemnify, defend, and hold harmless County, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by the Developer, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of this Agreement.
- 7.2 Developer warrants that services provided under this Agreement are non-infringing. Developer will indemnify, defend and hold County harmless from any claim of infringement arising from services provided under this Agreement or from the provision, license, transfer or use for their intended purpose of any products provided under this Agreement.

## 8.0 COMPLIANCE WITH LAWS

- 8.1 Developer will comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Agreement. The laws and

regulations of the State of Arizona will govern the rights of the parties, the performance of this Agreement, and any disputes hereunder. Any action relating to this Agreement must be brought in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during the terms of this Agreement will apply, but do not require an amendment.

- 8.2 Developer will comply with the requirements of 24 CFR Part 92, including subpart H of these regulations, except the Developer does not assume:
  - 8.2.1 County's environmental responsibilities described in 24 CFR 92.352; and
  - 8.2.2 County's responsibility for initiating the review process under the provisions of 24 CFR Part 52.
- 8.3 Developer warrants that HOME funds provided or personnel employed in the administration of the program funded under this Agreement will not be used for:
  - 8.3.1 Political activities;
  - 8.3.2 Inherently religious activities;
  - 8.3.3 Lobbying;
  - 8.3.4 Political patronage; or
  - 8.3.5 Nepotism activities.
- 8.4 Developer will comply with the applicable provisions of:
  - 8.4.1 Davis-Bacon Act (Public Law 107-217), as amended;
  - 8.4.2 Contract Work Hours and Safety Standards Act (40 USC 327 *et seq.*);
  - 8.4.3 Copeland Anti-Kick Back Act (18 USC 874 *et seq.*);
  - 8.4.4 Section 3 of the HUD Act of 1968 as amended;
  - 8.4.5 Fair Housing Act (42 U.S.C. 3601-3620);
  - 8.4.6 Section 504 of the Rehabilitation Act of 1973;
  - 8.4.7 Section 202 of the Flood Disaster Protection Act of 1973 (U.S.C. 4106); and
  - 8.4.8 All rules and regulations applicable to the Acts set forth above.
- 8.5 Developer will fully cooperate with County, HUD and any other federal agency in the review and determination of compliance with the above provisions.

## **9.0 INDEPENDENT CONTRACTOR**

The status of Developer will be that of an independent contractor. Neither Developer nor Developer's officers, agents, or employees will be considered an employee of Pima County or be entitled to receive any employment-related fringe benefits under the Pima County Merit System. Developer will be responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Agreement and will indemnify and hold County harmless from any and all liability which County may incur because of Developer's failure to pay such taxes. Developer will be solely responsible for its program development, operation, and performance.

## **10.0 SUBCONTRACTORS**

- 10.1 Except as provided in paragraph 10.2, Developer will not enter into any subcontracts for any services to be performed under this Agreement without County's prior written approval of the subcontract. Developer must follow all applicable Federal, State, and County rules and regulations for obtaining subcontractor services.

- 10.2 Prior written approval is not required for the purchase of supplies that are necessary and incidental to Developer's performance under this Agreement.
- 10.3 Developer will be fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor and of persons for whose acts, any of them, may be liable to the same extent that the Developer is responsible for the acts and omissions of persons directly employed by it. Nothing in this contract will create any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law.
- 10.4 Developer must include the provision set forth in paragraph 3.6 in all contracts between Developer and its subcontractors providing goods or services pursuant to this Agreement. Developer will be responsible for subcontractors' compliance with that provision and for any disallowances or withholding of reimbursements resulting from noncompliance of said subcontractors with the provision.

## **11.0 ASSIGNMENT**

Developer will not assign its rights to this Agreement in whole or in part, without prior written approval of the County. Approval may be withheld at the sole discretion of the County, provided that such approval will not be unreasonably withheld.

## **12.0 NON-DISCRIMINATION**

- 12.1 Developer agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 including flow down of all provisions and requirements to any subcontractors.
- 12.2 During the performance of this contract, Developer will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

## **13.0 AMERICANS WITH DISABILITIES ACT**

Developer will comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. If Developer is carrying out a government program or services on behalf of County, then Developer will maintain accessibility to the program to the same extent and degree that would be required by the County under 28 CFR Sections 35.130, 35.133, 35.149 through 35.151, 35.160, 35.161 and 35.163. Failure to do so could result in the termination of this Agreement.

## **14.0 AUTHORITY TO CONTRACT**

Developer warrants its right and power to enter into this Agreement. If any court or administrative agency determines that County does not have authority to enter into this Agreement, County will not be liable to Developer or any third party by reason of such determination or by reason of this Agreement.

## **15.0 FULL AND COMPLETE PERFORMANCE**

The failure of either party to insist on one or more instances upon the full and complete performance of any of the terms or conditions of this Agreement to be performed on the part of the other, or to take any action permitted as a result thereof, will not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time will not be construed as an accord and satisfaction.

## **16.0 CANCELLATION FOR CONFLICT OF INTEREST**

- 16.1 This Agreement is subject to cancellation for conflict of interest pursuant to ARS § 38-511, the pertinent provisions of which are incorporated into this Agreement by reference.
- 16.2 Developer agrees to comply with all applicable conflict of interest provisions contained in Federal laws and regulations that govern the awarding agency including 24 CFR 84.42 and 92.356.

## **17.0 TERMINATION AND SUSPENSION**

- 17.1 Termination for Convenience: County reserves the right to terminate this Agreement at any time and without cause by serving upon Developer thirty (30) days advance written notice of such intent to terminate. In the event of such termination, the County's only obligation to Developer will be payment for services rendered prior to the date of termination.
- 17.2 Insufficient Funds: Notwithstanding Paragraph 17.1 above, if any state or federal grant monies used to pay for performance under this Agreement are reduced or withdrawn, County will have the right to either reduce the services to be provided and the total dollar amount payable under this Agreement or terminate the Agreement. To the extent possible, County will endeavor to provide fifteen (15) days written notice of such reduction or termination. In the event of a reduction in the amount payable, County will not be liable to Developer for more than the reduced amount. In the event of a termination under this paragraph, County's only obligation to Developer will be payment for services rendered prior to the date of termination to the extent that grant funds are available.
- 17.3 Termination for Cause: This Agreement may be terminated at any time without advance notice and without further obligation by the County when the Developer is found by County to be in default of any provision of this Agreement.
- 17.4 Non-Appropriation: Notwithstanding any other provision in this Agreement, this Agreement may be terminated if for any reason, there are not sufficient appropriated and available monies for the purpose of maintaining County or other public entity obligations under this Agreement. In the event of such termination, County will have no further obligation to Developer, other than for services rendered prior to termination.
- 17.5 Suspension: County reserves the right to suspend Developer's performance and payments under this Agreement immediately upon notice delivered to Developer's designated agent in order to investigate Developer's activities and compliance with this Agreement. In the event of an investigation by County, Developer will cooperate fully and provide all requested information and documentation. At the conclusion of the investigation, or within forty-five (45) days, whichever is sooner, Developer will be notified in writing that the contract will be immediately terminated or that performance may be resumed.

## **18.0 NOTICE**

- 18.1 Developer must give written notice of any change of corporate or entity status as promptly as possible and, in any event, within fifteen (15) days after the change is effective. A change in corporate or entity status includes, but is not limited to, change from unincorporated to incorporated status and vice versa and any suspension or termination of corporate status based on failure to comply with all applicable federal, state, and local reporting requirements.
- 18.2 Any notice required or permitted to be given under this Agreement must be in writing and must be served by delivery or by certified mail upon the other party as follows:

**County:**

Margaret Kish, Director  
Pima County Community Development and  
Neighborhood Conservation  
2797 E. Ajo Way  
Tucson, AZ 85713

**Developer:**

T VanHook, Chief Executive Officer  
Habitat for Humanity Tucson, Inc.  
3501 N. Mountain Ave.  
Tucson, AZ 85719

**19.0 OTHER DOCUMENTS**

- 19.1 In entering into this Agreement, Developer and County have relied upon information provided in Developer's proposal submitted in response to Pima County Solicitation identified in the recitals of this Agreement ("the RFP") including the Instructions to Bidders, Standard Terms and Conditions, Specific Terms and Conditions, Solicitation Addenda, Developer's Proposal, other information and documents submitted by the Developer in its' response to said Solicitation.
- 19.2 The documents set forth in Paragraph 19.1 are hereby incorporated into and made a part of this Agreement as if set forth in full herein, to the extent not inconsistent with the provisions of this Agreement, including all exhibits. Developer will promptly bring any provisions which Developer believes are inconsistent to County's attention, and County will provide Developer with its interpretation of the provisions in question. In the event of an irreconcilable inconsistency, the provisions of the awarding agency documents will govern over the conditions of this Agreement, unless otherwise required by law.

**20.0 BOOKS AND RECORDS**

- 20.1 Developer will keep and maintain all records specified in 24 CFR 92.508 which are pertinent to the activities funded under this Agreement. All such records will be open for inspection and audit by duly authorized representatives of County during normal business hours. Records include, but are not limited to:
- 20.1.1 A full description of each action or activity taken to comply with this Agreement;
  - 20.1.2 Demonstration that the actions and activities meet the intent of the HOME program;
  - 20.1.3 Eligibility documentation and determination;
  - 20.1.4 Documentation of compliance with the fair housing and equal opportunity components of the HOME program;
  - 20.1.5 Documentation of down payment assistance including homebuyer eligibility, property eligibility and long term affordability;
  - 20.1.6 Disbursements of funds;
  - 20.1.7 Financial records required under 24 CFR §92.508(a)(5); and
  - 20.1.8 Documentation of compliance with Subpart Hof 24 CFR Part 92.
- 20.2 Developer must retain all records pertaining to this Agreement for four (4) years after County submits the annual performance and evaluation report to HUD in which the HOME-funded activities under this Agreement are reported on for the final time or until completion of any action and resolution of all issues which arise from any related litigation, claim, negotiations, audit or other action involving the records that was started before the expiration of the 4-year period, whichever is later.

## 21.0 AUDIT REQUIREMENTS

### 21.1 Developer will:

- 21.1.1 Comply with the applicable provisions of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Parts 200 and 2400).
- 21.1.2 **Establish and maintain a separate, identifiable accounting of all funds provided by County under this Agreement.** The accounting must record all expenditures which are used to support invoices and requests for payment from the County.
- 21.1.3 Establish and maintain accounting records which identify the source and application of any funds not provided under this Agreement used to support these Agreement activities.
- 21.1.4 Ensure that all accounting records meet the requirements of the Federal, State, County, and generally accepted accounting principles laws and regulations.
- 21.1.5 Upon written notice from County, provide a program-specific or financial audit. Such notice from County will specify the period to be covered by the audit, the type of audit and the deadline for completion and submission of the audit.
- 21.1.6 Assure that any audit conducted pursuant to this Agreement is performed by a qualified, independent accounting firm and submitted to County within six (6) months of completion of the audit required pursuant to this Section 21.0, unless a different time is specified by County. The audit submitted must include Developer's responses, if any, concerning any audit findings.
- 21.1.7 Pay all costs for any audit required or requested pursuant to this Section 21.0, unless the cost is allowable for payment with the grant funds provided pursuant to this Agreement under the appropriate federal or state grant law and the cost was specifically included in the Developer grant budget approved by County.

### 21.2 Developer status:

- 21.2.1 If Developer is a "nonprofit corporation" that meets the definition of "corporation" in A.R.S. §10-3140, Developer will comply with the applicable audit requirements set forth in A.R.S. § 11-624, "Audit of Non-Profit Corporations Receiving County Monies."
- 21.2.2 If Developer meets or exceeds the single audit threshold set forth in 2 C.F.R. Part 200, Developer will comply with federal single audit requirements and, upon request from County, provide County with a copy of the required audit document within ninety (90) days following the end of Developer's fiscal year.

### 21.3 Developer must timely submit the required or requested audit(s) to:

Marcos Ysmael, Community Development and Housing Planner, III  
Pima County Housing Center  
801 W Congress Street  
Tucson, AZ 85745

## 22.0 COPYRIGHT

Neither, Developer nor its officers, agents or employees will copyright any materials or products developed through contract services provided or contract expenditures made under this Agreement without prior written approval by the County. Upon approval, the County will have a non-exclusive and irrevocable license to reproduce, publish or otherwise use or authorize the use of any copyrighted material.

## **23.0 PROPERTY OF THE COUNTY**

- 23.1 Developer is not the agent of County for any purpose and will not purchase any materials, equipment or supplies on the credit of County.
- 23.2 Any materials, including reports, computer programs and other deliverables, created under this Agreement are the sole property of County. Developer is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. Developer will not use or release these materials without the prior written consent of County.

## **24.0 DISPOSAL OF PROPERTY**

Termination of this Agreement will not relieve any party from liabilities or costs already incurred under this Agreement, nor affect any ownership of property pursuant to this Agreement.

## **25.0 COORDINATION**

On matters relating to the administration of this Agreement, County will be Developer's contact with all Federal, State and local agencies that provide funding for this Agreement.

## **26.0 PUBLIC INFORMATION**

- 26.1 Pursuant to Arizona Public Records law, A.R.S. § 39-121 *et seq.*, documents submitted by Developer to County may be considered public records and may be subject to release to any member of the public. Records subject to release may include, but are not limited to: pricing, product or program specifications, work plans, and any supporting data.
- 26.2 In the event that County receives a public records request pursuant to A.R.S. § 39-121 *et seq.* for documents Developer submitted to County, County will notify Developer on the same day the request is made or as soon as possible thereafter.
- 26.3 County will release Developer's records ten (10) business days after the date of notice to the Developer, unless Developer has secured a protective order, injunctive relief or other appropriate order from a court of competent jurisdiction, enjoining the release of the records. For the purposes of this paragraph, the day of the request for release will not be counted in the time calculation.
- 26.4 County will not, under any circumstances, be responsible for securing a protective order or other relief enjoining the release of records submitted to County by Developer nor will County be in any way financially responsible for any costs associated with securing such an order.

## **27.0 ELIGIBILITY FOR PUBLIC BENEFITS**

Developer will comply with applicable provisions of A.R.S. §§1-501 and 1-502 regarding public benefits, which are hereby incorporated as provisions of this Agreement.

## **28.0 LEGAL ARIZONA WORKERS ACT COMPLIANCE**

- 28.1 Developer hereby warrants that it will at all times during the term of this Agreement comply with all federal immigration laws applicable to Developer's employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). Developer will further ensure that each subcontractor who performs any work for Developer under this contract likewise complies with the State and Federal Immigration Laws.
- 28.2 County will have the right at any time to inspect the books and records of Developer and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.



- 28.3 Any breach of Developer's or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, will be deemed to be a material breach of this Agreement subjecting Developer to penalties up to and including suspension or termination of this Agreement. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, Developer will be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, (subject to County approval if Minority and Women Business E preferences apply) as soon as possible so as not to delay project completion.
- 28.4 Developer will advise each subcontractor of County's rights, and the Subcontractor's obligations, under this Article (or Section?) by including a provision in each subcontract substantially in the following form:

"Subcontractor hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to Subcontractor's employees, and with the requirements of A.R.S. § 23-214 (A). Subcontractor further agrees that County may inspect the Subcontractor's books and records to insure that Subcontractor is in compliance with these requirements. Any breach of this paragraph by Subcontractor will be deemed to be a material breach of this contract subjecting Subcontractor to penalties up to and including suspension or termination of this contract."

- 28.5 Any additional costs attributable directly or indirectly to remedial action under this Section will be the responsibility of Developer. In the event that remedial action under this Article (or Section?) results in delay to one or more tasks on the critical path of Developer's approved construction or critical milestones schedule, such period of delay will be deemed excusable delay for which Developer will be entitled to an extension of time, but not costs.

## **29.0 REMEDIES**

Either party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each will be cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Agreement.

## **30.0 SEVERABILITY**

Each provision of this Agreement stands alone, and any provision of this Agreement found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Agreement.

## **31.0 NON-EXCLUSIVE AGREEMENT**

Developer understands that this Agreement is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.

## **32.0 ENTIRE AGREEMENT**

- 32.1 This document constitutes the entire agreement between the parties pertaining to the subject matter hereof.
- 32.2 No verbal agreements or conversations with any officer, agent or employee of County prior to or after the execution of this Agreement will affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Any such verbal agreement will be considered as unofficial information and in no way binding upon County and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein.

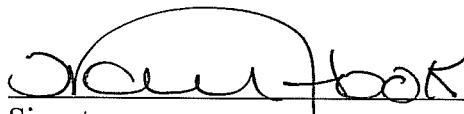
32.3 This Agreement may be modified, amended, altered or extended only by a written amendment signed by the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Agreement on the date written below.

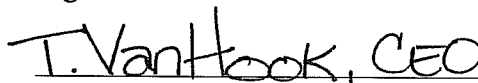
**PIMA COUNTY**

**DEVELOPER**

\_\_\_\_\_  
Chair, Board of Supervisors

  
Signature

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

  
Printed name and title

ATTEST

Date: 04/18/2016

\_\_\_\_\_  
Clerk of the Board

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

APPROVED AS TO CONTENT:

 04/19/2016  
Director, Community Development  
and Neighborhood Conservation

APPROVED AS TO FORM:

  
Karen S. Friar, Deputy County Attorney

## EXHIBIT A

### SCOPE OF WORK

1. **Project Title and Location:** Corazon Del Pueblo 2016. Homes to be sold are located at: 7076 S Avenida Del Recuerdo; 7080 S Avenida Del Recuerdo; and 7078 S Avenida Del Recuerdo in Tucson, AZ 85756.
2. **Project Purpose:** Assist three (3) qualified, eligible, first-time low-income homebuyers with down payment assistance, which may include closing costs.
3. **Project Activities:**
  - 3.1. Awardee will:
    - 3.1.1. Provide down payment, if necessary, may include closing costs, to three homebuyers in an amount not to exceed \$20,000.00 per homebuyer, for the purchase of the three homes (3) homes in Corazon Del Pueblo. Each home assisted will be new construction and meet the following specifications:
      - 3.1.1.1. Have three (3) bedrooms, 2 baths with approximately 1,300 square feet of living area and a one-car garage.
      - 3.1.1.2. Include frame and stucco construction with tile roofs, exterior color choice with set palette and grey water harvesting landscaping;
      - 3.1.1.3. Be Energy Star® qualified in compliance with the National Home Energy Rating System guidelines and include ceiling fans and epoxy coated floors; and
      - 3.1.1.4. Meet applicable state and local codes, ordinances, and zoning requirements including any applicable disaster mitigation standards.
    - 3.1.2. Ensure that the homes are modest and affordable, as required by HUD HOME Program regulations at 24 CFR Part 92.254, to households earning at or below 80% Area Median Income ("80% AMI").
    - 3.1.3. Provide household with a Habitat For Humanity Zero-Interest Mortgage (unless an alternate financing program is approved by County in writing prior to closing), down payment assistance provided under this Agreement and, if needed, down payment assistance from other sources.
    - 3.1.4. Complete all environmental reviews prior to expenditure of funds as required by HUD HOME Program regulations at 24 CFR Part 92.352.
    - 3.1.5. Actively market Corazon Del Pueblo to low-income households in Pima County. All marketing efforts will be in accordance with affirmative fair marketing guidelines found at 24 CFR Part 92.351.
    - 3.1.6. Determine homebuyer's eligibility for down payment assistance as follows:
      - 3.1.6.1. Obtain an application for the assistance;
      - 3.1.6.2. Ensure that household income does not exceed 80% AMI; and
      - 3.1.6.3. Ensure that the household qualifies a mortgage with the Habitat For Humanity Zero-Interest Mortgage Program (unless written approval for an alternate financing program is received from County).

- 3.1.7. Ensure that homebuyers are aware of the HOME affordability requirements and understand that, in order to avoid paying back the money provided for the purchase pursuant to this Agreement, the assisted home must be the principal place of residence throughout the period of affordability.
- 3.1.8. After the homebuyer's eligibility has been confirmed:
  - 3.1.8.1. Submit homebuyer application information to County for HUD HOME Program review and final funding approval at least 15 days prior to close of escrow;
  - 3.1.8.2. Ensure that the down payment assistance provided does not exceed the amount needed to fund the homebuyer's documented affordability gap (the difference between the total sum of the mortgage and down payment funds, including all grants or subsidies, and the total purchase price which includes closing costs); and
  - 3.1.8.3. Assist homebuyer in applying for and qualifying for the Habitat For Humanity Zero-Interest Mortgage Program.
- 3.1.9. Require all adult members of the household to attend Developer's homebuyer education and counseling program prior to close of escrow.
- 3.1.10. Ensure and document that the HOME Program Homebuyer Assistance Agreement, attached in **Exhibit C**, has been given and explained to homebuyer.
- 3.1.11. Perform program delivery services including coordination with escrow and loan officers, authorization and transmittal of payment, file completion and reporting.
- 3.1.12. Ensure that, at closing, a HOME Promissory Note, attached as Attachment 1 of **Exhibit D**, is executed in the amount of the HOME funded down payment assistance provided. The HOME Promissory Note must be secured by a fully executed Deed of Trust, in the form set forth in **Exhibit D**, and recorded in the Office of the Pima County Recorder, listing Pima County as the beneficiary for the duration of the HOME affordability period as set forth below.
- 3.1.13. Complete HOME Program Completion Report attached as **Exhibit E** for each homebuyer and submit with corresponding billing invoice immediately following close of escrow.
- 3.2. If appropriate, Developer may require adult homebuyers to participate in Developer's sweat equity program.
- 3.3. County will:
  - 3.3.1. Provide Technical Assistance as needed to carry out HOME program objectives.
  - 3.3.2. Provide legal documents, including deed of trust and promissory note that will be used to record the subsidy for each homebuyer.

#### **4. Project goal/predicted outcomes:**

- 4.1. Goal: Assist three (3) low-income, first-time homebuyers.
- 4.2. Predicted outcomes: Down payment assistance, which may include closing costs, will make it possible for three (3) low-income households to buy their first homes.

#### **5. Public benefit – HOME National Objective and Eligible Activity:**

Upon completion, the expenditure of HOME funds for down payment assistance will meet the HOME Program objective to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary and affordable housing with primary attention to low-income families in the form of homebuyer down payment assistance (24 CFR 92.1 and 92.205 g).

## **6. Affordability Period.**

For a period of ten (10) years after the date of closing (“the Affordability Period”), a home purchased with financial assistance from the HOME funds pursuant to this Agreement must be occupied by the Homebuyer as their primary residence during the Affordability Period. If the home is resold prior to the expiration of the Affordability Period the following conditions apply: the assisted homebuyer must repay the full amount of the down payment assistance provided pursuant to the conditions of the promissory note.

## **7. Reports:**

7.1. Upon Completion of each of the three sales, Developer will provide the following report for each assisted household:

7.1.1. HUD Homebuyer Set Up and Completion Form

7.1.2. Copy of executed Purchase Contract including all addenda.

7.1.3. Executed and complete copy of Homebuyer Income Certification

7.1.4. HUD-1 Settlement Statement (Final)

7.1.5. Executed and Recorded copy of the Performance Deed of Trust and Assignment of Rents for Pima County HOME Program (Exhibit D)

7.1.6. Executed copy of Pima County HOME Program Homebuyer Assistance Program Agreement (Exhibit C)

7.1.7. Homebuyer Set Up and Completion Form (Exhibit E)

7.1.8. If applicable, Developer report confirming value of sweat equity applied to the homebuyer’s acquisition.

7.1.9. Certificate of Completion of Homebuyer Education from a Pima County HUD approved housing counseling agency.

7.2. All reporting provisions will survive the termination of this Agreement.

8. **Budget:** County will pay Developer in an amount not to exceed **\$60,000.00**, provided, however, down payment assistance provided to any one household does not exceed **\$20,000.00**.

END OF EXHIBIT A

## EXHIBIT B

### PAYMENT REQUEST FORM & MONTHLY REPORT

HABITAT FOR HUMANITY TUCSON, INC. – CORAZON DEL PUEBLO 2016

For the Month of \_\_\_\_\_, 20\_\_

HOME Contract No. _____ Request for Payment				
Description	Total HOME Budget	HOME Funds Expended This Month	HOME Funds Expended Prior Month(s)	HOME Funds Expended to Date
Homebuyer Down Payment Assistance	\$60,000.00			
<b>Total</b>	<b>\$60,000.00</b>			

#### ADDITIONAL PROJECT INFORMATION FOR REPORTING PERIOD:

- Monthly Activity Summary:
- Milestones completed:
- Problems encountered:
- Changes requested for Construction or Reimbursement Schedule:

Exhibit C



**PIMA COUNTY HOME PROGRAM  
HOMEBUYER ASSISTANCE PROGRAM AGREEMENT**

This HOME Program Agreement is executed by and between \_\_\_\_\_  
(Homebuyer(s)), and Habitat for Humanity Tucson, Inc. a non-profit organization (Recipient/Developer) and Pima  
County Community Development and Neighborhood Conservation Department (Program Administrator).

**(a) Homebuyer's Certification of Principal Residency**

Homebuyer's Name(s): \_\_\_\_\_

Homebuyer's Current Address \_\_\_\_\_

Address of Home to be purchased: \_\_\_\_\_

Eligible Activity: ☐ **Homebuyer Assistance**

I/We hereby certify that I/we will occupy the above referenced address and it will be my/our principal residence throughout the required affordability period of ten (10) years (from the date the home purchase closes escrow).

I/We understand that my/our acceptance of the down payment and/or closing cost assistance/or principal reduction/or rehabilitation assistance through the HOME Program will result in the attachment of a lien (Deed of Trust and Assignment of Rents) in favor of the above referenced Program Administrator.

I/We further certify that all information and copies of documents provided to \_\_\_\_\_  
(Recipient/Developer) are true and correct.

I/We understand that any discrepancies or misstatements may result in my/our disqualification from the HOME Program and possible repayment of the assistance received.

\_\_\_\_\_  
Signature of Homebuyer/Homeowner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Homebuyer/Homeowner

\_\_\_\_\_  
Date

**WARNING: Title 18, Section 1001 of the U.S. code states that a person is guilty of a FELONY for knowingly and willingly making false or fraudulent statements to any department of the United States Government.**

**(b) Value of the Property**

The purchase price of the Residence is \$ \_\_\_\_\_

The appraised value of the Residence is \$ \_\_\_\_\_

**(c) Recapture and Refinance Provisions**

Transfer, Sale, Refinance, Exchange, Rent or Lease of Subject Property: In the event homebuyer(s) transfers, devises, refinances, sells, exchanges, rents or leases the subject property, regardless of the terms or conditions of such transfer, sale, or exchange **within the first ten (10) years of ownership (Affordability Period)**, or fails to maintain the property as their primary residence during the Affordability Period, the full amount of the HOME Subsidy will be repaid. The homebuyer agrees to maintain the property as their primary residence throughout the ten year affordability period as described below:

1. HOME Subsidy repayment, including any interest due pursuant to this Note, shall be made from the net proceeds of the sale, but only to the extent that such proceeds are in excess of the first mortgage pay-off, customary settlement charges and the Homebuyer's Equity.
2. So long as Homebuyer(s) is compliance with the terms of the forgivable deferred loan and shall occupy the real property which is the subject of this Agreement as their primary residence, no payments of principal shall be required. **After the Period of Affordability (ten years) has expired, Homebuyer will not be required to occupy property as the principal residence and the Program Administrator shall consider this note satisfied.**
3. **REFINANCING:** The County (Program Administrator) will allow their lien to be placed in second or subordinate position to subsequent refinanced mortgages **only** if the refinance results in a **lower monthly housing payment** and total loan to value (LTV) does not exceed 90%. Exceptions may be considered to refinance for a rate or term reduction that does not take out additional cash or equity. The Homebuyer/Homeowner must demonstrate that the proposed financial transaction will produce a clear distinct financial benefit. No refinancing will be permitted when cashing out solely for consolidation of credit card or revolving debt for any reasons other than to finance necessary home repairs or improvements.

**(d) Use and Amounts of HOME Funds**

In order to assist Homebuyer or Homeowner to purchase or rehabilitate the residence, Habitat for Humanity Tucson (Recipient) is providing County HOME Program funds in an amount not to exceed **Twenty Thousand dollars (\$20,0000)**.

**(e) Form of Assistance**

The foregoing financial assistance is being provided in the form of forgivable deferred loan. In connection with forgivable deferred loan, the homebuyer or homeowner is executing a ten year Promissory Note agreement and a Deed of Trust and Assignment of Rents (Junior Lien). The Deed of Trust and Assignment of Rents is recorded against the property as a security instrument (Junior Lien) in order to guarantee compliance with the HUD HOME Program funding regulations.

**(f) Acquisition Time**

Homebuyer represents that Homebuyer intends to purchase the residence within 60 days of the date of this HOME Agreement. Homebuyer or Homeowner understands and agrees that if Homebuyer or Homeowner does not purchase the residence within 60 days of the date of this HOME Agreement, the Recipient may at its sole option: (1) not provide HOME funding; or (2) extend the date to purchase or rehabilitate the residence for a reasonable period of time, not to exceed an additional 30 days.

**SIGNATURES ON FOLLOWING PAGE**



**(g) Execution of Written Agreement**

I/we acknowledge that I/we have received a copy of the foregoing fully executed HOME Agreement and that the requirements, terms and conditions thereof were explained to me/us.

Homebuyer

Homebuyer

STATE OF ARIZONA )  
 ) ss.  
County of Pima )

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, by \_\_\_\_\_  
for the purposes therein contained.

NOTARY PUBLIC

My commission Expires: \_\_\_\_\_

I ACKNOWLEDGE THAT I HAVE REVIEWED AND EXPLAINED THE CONTENTS OF THIS DOCUMENT WITH THE HOMEBUYER(S):

Recipient/Developer Authorized Signature

Date \_\_\_\_\_

**End of Exhibit C**

## EXHIBIT D

**RETURN TO:**

HOME PROGRAM ADMINISTRATOR  
Pima County Housing Center  
801 W Congress St, Tucson, AZ 85745

### DEED OF TRUST AND ASSIGNMENT OF RENTS PIMA COUNTY HOME PROGRAM

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

TRUSTOR (S): \_\_\_\_\_

whose mailing address is:

\_\_\_\_\_  
(Number and Street) (City) (State) (Zip Code)

TRUSTEE:

whose mailing address is:

\_\_\_\_\_  
(Number and Street) (City) (State) (Zip Code)

BENEFICIARY: **Pima County**, an Arizona body politic,

whose mailing address is:

**Attention: Community Development and Neighborhood Conservation Department**  
**Pima County Housing Center**  
801 W. Congress St.  
Tucson, AZ 85745

Property situated in the County of Pima, State of Arizona, as described as follows:

\_\_\_\_\_

Together with all buildings, improvements and fixtures thereon or hereinafter erected thereon.

STREET ADDRESS IF ANY, OR IDENTIFIABLE LOCATION OF THIS PROPERTY:

\_\_\_\_\_

THIS DEED OF TRUST AND ASSIGNMENT OF RENTS ("Deed of Trust"), made on the above date by, between and among the TRUSTOR, TRUSTEE and BENEFICIARY above named.

WITNESSETH that Trustor hereby irrevocably grants, conveys, transfers and assigns to the Trustee in Trust, with Power of Sale, the above described real property ("Trust Property"), together with leases, issues, profits, or income therefrom (all of which are hereinafter called "property income"): SUBJECT, however, to the right, power, and authority hereinafter given to and conferred upon Beneficiary to collect and apply such property income:

SUBJECT TO: Current taxes and all other assessments, reservations in patents and all easements, rights of way, encumbrances, liens, covenants, conditions, restrictions, obligations, and liabilities as may appear of record.

FOR THE PURPOSE OF SECURING:

A. Payment of the indebtedness in the principal sum of \$ 20,000.00, together with any interest payment due, as evidenced by a Promissory Note or Notes of even date herewith, as provided by Attachment 1 herein, and any extension or renewal thereof, executed by Trustor in favor of Beneficiary or order.

B. Payment of additional sums and interest thereon which may hereafter be loaned to Trustor, or his successors or assigns, when evidenced by a Promissory Note or Notes reciting that they are secured by a Deed of Trust.

C. Performance of each agreement of Trustor herein contained.

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. To keep said property in good condition and repair; not to remove or demolish any building, thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon said property in violations of law; and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
2. To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.
3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses of Beneficiary and Trustee, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear or be named, and in any suit brought by Beneficiary or Trustee to foreclose this Deed of Trust.
4. To pay before delinquent, all taxes and assessments affecting said property; when due, all encumbrances, charges, and liens, with interest, on said property or any part thereof, which appear to be prior or superior

hereto; all costs, fees, and expenses of this Trust, including, without limiting the generality of the foregoing, the fees of Trustee for issuance of any Deed of Partial Release and Partial Reconveyance or Deed of Release and full Reconveyance, and all lawful charges, costs, and expenses in the event of reinstatement of, following default in, this Deed of Trust or the obligations secured hereby.

Should Trustor fail to make any payment or to do any act as herein provided, the Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel, and pay his reasonable fees.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, together with interest from date of expenditure, at the same rate as is provided for in the note or notes secured by this Deed of Trust or at the legal rate if it secures a contract or contracts other than a promissory note or notes. Any amounts so paid by Beneficiary or Trustee shall become a part of the debt secured by this Deed of Trust and a lien on said premises or immediately due and payable at option of Beneficiary or Trustee.

#### **IT IS MUTUALLY AGREED:**

6. That any award of damages in connection with any condemnation or any such taking, or for injury to the property by reason of public use, or for damages for private trespass or injury thereto, is assigned and shall be paid to Beneficiary as further security for all obligations secured hereby (reserving unto the Trustor, however, the right to sue therefor and the ownership thereof subject to this Deed of Trust) and upon receipt of such moneys Beneficiary may hold the same as such further security, or apply or release the same in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.

7. That time is of the essence of this Deed of Trust, and that by accepting payment of any sum secured hereby after its due date Beneficiary does not waive his right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

8. That at any time or from time to time, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note(s) for endorsement, and without liability therefor, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, and without affecting the security hereof for the full amount secured hereby on all property remaining subject hereto, and without the necessity that any sum representing the value or any portion thereof of the property affected by the Trustee's action be credited on the indebtedness, the Trustee may: (a) release and reconvey all or any part of said property; (b) consent to the making and recording, or either, of any map or plot of the property or any part thereof; (c) join in granting any easement thereon; (d) join in or consent to any extension agreement or any agreement subordinating the lien, encumbrance, or charge hereof.

9. That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note(s) to Trustee for cancellation, and upon payment of its fees, Trustee shall release and reconvey, without covenant or warranty, express or implied, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

10. That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority, during the continuance of this Trust, to collect the property income, reserving to Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such property income as it becomes due and payable. Upon any such default, Beneficiary may at any time, without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in his own name sue for or otherwise collect such property income, including that past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such property income, and the application thereof as aforesaid, shall not cure or waive any default or notice of Trustee's sale hereunder or invalidate any act done pursuant to such notice.

11. That upon default by Trustor in the payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature thereof, and of election to cause to be sold said property under this Deed of Trust. Beneficiary also shall deposit with Trustee this Deed of Trust, said note(s), and all documents evidencing expenditures secured hereby.

Trustee shall record and give notice of Trustee's sale in the manner required by law, and after the lapse of such time as may then be required by law, subject to the statutory rights of reinstatement, the Trustee shall sell, in the manner required by law, said property at public auction at the time and place fixed by it in said notice of Trustee's sale to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone or continue the sale by giving notice of postponement or continuance by public declaration at the time and place last appointed for the sale. Trustee shall deliver to such purchaser its Deed conveying the property so sold, but without any covenant or warranty, expressed or implied. Any persons, including Trustor, Trustee, or Beneficiary, may purchase at such sale.

After deducting all costs, fees, and expenses of Trustee and of this Trust including cost of evidence of title in connection with sale and reasonable attorney's fees. Trustee shall apply the proceeds of sale to payment of all sums then secured hereby and all other sums due under the terms hereof, with accrued interest, and the remainder, if any, to the person or persons legally entitled thereto, or as provided in A.R.S. §33-812.

In lieu of sale pursuant to the power of sale conferred hereby, this Deed of Trust may be foreclosed in the same manner provided by law for the foreclosure of mortgages on real property. Beneficiary shall also have all other rights and remedies available him hereunder and at law or in equity. All rights and remedies shall be cumulative.

12. That Beneficiary may appoint a successor Trustee in the manner prescribed by law. A successor Trustee herein shall, without conveyance from the predecessor Trustee, succeed to all the predecessor's title, estate, rights, powers, and duties. Trustee may resign by mailing or delivering notice thereof to Beneficiary and Trustor, by registered or certified mail, and by recordation of a Notice of Resignation of Trustee in the office of the County Recorder in each county in which the trust property or some part thereof is situated.

13. That this Deed of Trust applies to, insures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the owner and holder of the note(s) secured hereby, whether or not named as Beneficiary herein. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

14. That Trustee accepts this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee.

Additional Terms and Conditions:

15. If the Federal Housing Authority (FHA) insures the first lien on the Trust Property, any restrictions on transferability of the Trust Property will automatically terminate if the Title to the Trust Property is transferred by foreclosure or deed-in-lieu of foreclosure, or if the mortgage is assigned the Secretary of Housing and Urban Development (HUD).

16. The lien of this deed of trust is junior and subordinate to the lien of that certain deed of trust executed by \_\_\_\_\_, Trustor(s) to \_\_\_\_\_, Beneficiary, dated \_\_\_\_\_, securing a promissory note of even date in the amount of \$ \_\_\_\_\_, being recorded concurrently herewith.

17. The undersigned Trustor requests that a copy of any notice of Trustee's sale hereunder be mailed to him at his address hereinbefore set forth.

18. Due on Sale. The sale, transfer, exchange, encumbrance, rental or leasing of the Trust Property to anyone other than a Family Member as defined herein, at any time within the term of the Promissory Note secured by this Deed of Trust, shall constitute a default under the terms of this Deed of Trust, and upon such event Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written notice thereof, setting forth the nature thereof, and of election to cause the Trust Property to be sold under this Deed of Trust. For purposes of this Deed of Trust, the following terms shall have the following meanings:

**"Exchange"** means a transfer or conveyance of title to the Subject Property, or contractual obligation to transfer or convey such title, in consideration of or in return for receipt of title to, or the right to use, or contractual right to receive title to, or the right to use, other property, real or personal, having more than nominal or potentially more than nominal pecuniary value.

**"Family Member"** means any person who is a parent, child, sibling or spouse of the original Maker(s). When the original Maker(s) transfers, exchanges or devises the Subject Property or any part thereof, to a family member that qualifies as low-income according to HUD guidelines, that new title holder is a Maker(s) and becomes subject to all rights, duties, conditions and limitations of an original Maker(s) thereunder including the restrictions imposed regarding a subsequent sale, transfer, exchange, or devise of the Subject Property.

**"Sale"** means a transfer or conveyance of title to the Subject Property, or contractual obligation to transfer or convey such title or the right to use. The consideration for a sale is to be paid by cash or equivalent in part or in whole.

**"Transfer"** means any alienation of the Subject Property other than by gift deed or similar instrument to a Family Member, or by conveyance to anyone, including the right to use.

**SIGNATURES ON FOLLOWING PAGE**

Trustor

Trustor

\_\_\_\_\_  
STATE OF ARIZONA )  
                          ) ss.  
County of Pima     )

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_, by  
\_\_\_\_\_ for the purposes  
therein contained.

\_\_\_\_\_  
NOTARY PUBLIC

My commission Expires: \_\_\_\_\_

Attachment 1(to Deed of Trust and Assignment of Rent)

**RETURN TO:**

HOME PROGRAM ADMINISTRATOR  
Pima County Housing Center  
801 W Congress St, Tucson, AZ 85745

**PROMISSORY NOTE  
PIMA COUNTY HOME PROGRAM  
HOMEBUYER DOWN PAYMENT ASSISTANCE LOAN**

Date: \_\_\_\_\_, 20\_\_\_\_  
Tucson, Arizona

**Principal Amount: \$20,000.00**

Interest Rate: 0% as long as Maker is not in default according to terms of this Promissory Note,  
otherwise the interest rate will be as set forth in paragraph no. 7 below.

For value received, \_\_\_\_\_ (the  
"Maker"),

whose address is

\_\_\_\_\_

(the "Subject Property"), promises to pay to the order of **Pima County**, a body politic and corporate of the state of Arizona, through its Community Development and Neighborhood Conservation Department (the "Holders"), in lawful money of the United States the principal sum of \$20,000.00, plus interest as specified below on the unpaid principal balance from time to time outstanding.

**This Promissory Note (the "Note") is secured by a Deed of Trust of even date herewith on certain real property (the "Subject Property") located in Pima County, Arizona.**

**The unpaid principal balance of the Note shall be repaid as described in Paragraph No. 1 below:**

**DEFINITIONS:**

For the purpose of this Note, the following terms shall have the meanings set forth:

**"Cash Out"** means to remove equity out of the Subject Property, which is an amount of money over and above the amount owed but less than the current value.

**"Exchange"** means a transfer or conveyance of title to the Subject Property, or contractual obligation to transfer or convey such title, in consideration of or in return for receipt of title to, or the right to use, or contractual right to receive title to, or the right to use, other property, real or personal, having more than nominal or potentially more than nominal pecuniary value.



**"Family Member"** means any person who is a parent, child, sibling or spouse of the original Borrower(s). When the original Borrower(s) transfers, exchanges or devises the Subject Property or any part thereof, to a family member that qualifies as low-income according to H.U.D. guidelines, that new title holder is a Borrower(s) and becomes subject to all rights, duties, conditions and limitations of an original Borrower(s) thereunder including the restrictions imposed regarding a subsequent sale, transfer, exchange, or devise of the Subject Property.

**"HOME Program"** means the HUD HOME Investment Partnerships Program delineated in Part 92 of title 24 of the Code of Federal Regulations, as it currently exists and as it may be modified in the future.

**"HOME Subsidy"** means the amount of federal funding from the HUD *HOME* Program, provided to the Maker for down payment and/or closing costs. These funds are administered by the Holder, on behalf of the City of Tucson/Pima County HOME Funding Consortium.

**"HUD"** means the United States Department of Housing and Urban Development.

**"Maker"** (or 'Borrower') means a person(s) who owns an interest in the above described Subject Property as shown by the records of the Pima County Recorder as of the date of this Promissory Note, their family member, personal representatives, heirs and devisees.

**"Maker's Equity"** means any appreciation or increase in the appraised market value of the Subject Property realized from the Maker's additional investment, including down payment made from their own funds at time of purchase, the portion of monthly payments applied to principal reduction on the senior mortgage and the nominal value of any property improvements made from the Maker's funds, as determined by a State certified property appraiser.

**"Net proceeds"** means the sales price less the balance owed at time of closing to any mortgagee, trustee under deed of trust, contract vendor or assignee, taxing authority or any holder of an encumbrance on or other interest in the Subject Property which encumbrance or interest is superior in right to the rights of the County under this document, and less allowable costs of closing transaction, which shall be limited to real estate agent or broker sales commission, title insurance policy costs, recording fees, appraisal fees and escrow fees.

**"Primary Residence"** means the home the Maker(s) occupies as their principal place of residence.

**"Refinance"** means the renewing or replacing of the existing senior mortgage loan or taking out a private second mortgage on the Subject Property by the Maker usually for the purpose of a lower interest rate or to take cash equity out of the property.

**"Sale"** means a transfer or conveyance of title to the Subject Property, or contractual obligation to transfer or convey such title or the right to use. The consideration for a sale is to be paid by cash or equivalent in part or in whole.

**"Subject Property" or "Subsidized Property"** means the real property purchased by Maker using, in part, the HOME Subsidy provided by Holders under the conditions of this Note. Maker agrees to maintain Subject Property as Maker's primary residence for the duration of the Affordability Period specified in this Note.

**"Transfer"** means any alienation of the Subject Property other than by gift deed or similar instrument to a family member, or by conveyance to anyone, including the right to use.

**MAKER AND HOLDER COVENANT AND AGREE AS FOLLOWS:**

1. **The Maker agrees to maintain the property as their primary residence throughout the Ten (10) year affordability period (10 years from the original close of escrow). After year ten (10) years this note shall be forgiven, or until the earlier of the following:**
2. **Transfer, Sale, Refinance, Exchange, Rent or Lease of Subject Property:** In the event Maker (s) transfers, devises, refinances, sells, exchanges, rents or leases the subject property to anyone other than a family member as defined herein, regardless of the terms or conditions of such transfer, sale, or exchange within the first **Ten (10) years**, or fails to maintain the property as their primary residence during the first **Ten (10) years**, the Maker(s) will repay to the County, ***the full amount of the HOME Subsidy, which is \$20,000.00***
3. ***HOME Subsidy repayment, including any interest due pursuant to this Note, shall be made from the net proceeds of the sale, but only to the extent that such proceeds are in excess of the first mortgage pay-off, customary settlement charges and the Maker's Equity.***
4. **Approval of County:** Any transfer, refinance, sale or exchange of a Subsidized Property, or any part thereof, other than to or with a family member as defined herein, shall be subject to the prior written approval of the Pima County Community Development and Neighborhood Conservation Department, Affordable Housing & Community Planning Division. Where repayment is required pursuant to the terms of this Security Instrument, the County, upon written request by the escrow firm for the transaction, shall promptly notify the escrow firm of the repayment amount required to be made for all funds described in Section A.
5. So long as Maker is not in default and shall occupy the real property ("Home") which is the subject of the Deed of Trust securing this Note as Maker's principal place of residence, no payments of principal shall be made by Maker to Holders.
  - a. Any event of default shall occur, and Holders shall elect to declare the principal immediately due and payable. In the event of such default and Holder's election to declare the principal immediately due and payable, Maker shall immediately without demand pay to Holders the principal and all accrued default interest thereon. From and after the date of default and election to accelerate, no further reductions (as set forth in (ii) above) of principal shall be made, unless Maker shall reinstate this Note as may be allowed under the provisions of Arizona law.
  - b. A voluntary or involuntary sale, conveyance, or alienation of the Home or any part thereof which is of such a nature that Holders are entitled to declare this Note immediately due and payable pursuant to the terms of the Deed of Trust. In any such event, and upon Holder's election, the principal plus any interest accrued, shall be immediately due and payable by Maker without any demand or other act of Holders.
6. **REFINANCE OR HOME EQUITY LOANS:** Maker will be approved for subsequent refinancing or home equity loans, only under the following conditions:
  - a. **REFINANCING:** The Holders will allow their lien to be placed in second or subordinate position to subsequent mortgages **only** if the total loan to value (LTV) does not exceed 90%. Exceptions may be considered to refinance for a rate or term reduction that does not take out additional cash or equity. The Maker must demonstrate that the proposed financial transaction will produce a clear distinct financial benefit. No refinancing will be permitted when cashing out solely for consolidation of credit card or revolving debt for any reasons other than to finance necessary home

repairs or improvements. Written, detailed requests to subordinate shall come from both the Maker and lender and must be accompanied by copies of proposed Good Faith Estimate, recent appraisal on Subject Property, copy of preliminary title report. Request must be signed by Maker(s) and Good Faith Estimate must be signed by both the homeowner and an authorized representative of the lending company.

- b. The County reserves the right to amend this policy at any time. The County may, at its sole discretion, waive or modify this policy if unique or unusual circumstances indicate that it would be in the best interests of the County.
7. Each and every payment made hereunder shall be applied to costs, expenses, fees, and to any accrued interest and the principal amount hereof in such order and in such amounts as Holders shall determine in their sole and absolute discretion. All obligations hereunder (including principal, interest, costs and fees, if any), not paid or discharged when due and payable (or if the Maker shall be in default under any related agreements), shall, at Holders' sole option, bear interest, until paid in full at the rate equal to the highest rate of interest in effect from time to time, under the laws of the State of Arizona, payable on money judgments, but not to exceed 10% per annum.
8. Upon the occurrence of any of the following or any other default by Maker and on the election of Holders, all obligations hereunder shall become immediately due and payable, and all unpaid principal and accrued interest shall be deemed accelerated, without presentment for payment, diligence, grace, exhibition of this Note, protest, further demand or notice of any kind, all of which are hereby expressly waived (and failure to exercise this option shall not constitute a waiver of the right to exercise the option with respect to any subsequent occurrence of the following): (i) Any sum owing hereunder or under the Deed of Trust or other Agreement is not paid as agreed; (ii) There is any default or breach of any representation, warranty, term, provision or covenant by the Maker under his Note, any related agreement, any deed of trust, security agreement, or note whatsoever, whether related to this Note or not, creating obligations of the Maker in favor of the Holders; (iii) The Maker sells, assigns, conveys, or otherwise encumbers the Property at any time within the term of this Note and under the terms of the Deed of Trust such action is not permitted.
9. Time is of the essence of each and every term of this note. This Note can be prepaid in whole or in part at any time without prepayment penalty. This Note shall be governed and construed in accordance with the laws of the State of Arizona, except to the extent that such laws are preempted by Federal law or regulation, in which case such Federal law or regulation shall govern.
10. The Maker hereby agrees: (i) To any and all extensions and renewals hereof, from time to time, without notice, and that no such extension or renewal shall constitute or be deemed a release of any obligation of any of the Makers to Holders hereof; (ii) That the acceptance by Holders hereof of any performance which does not comply strictly with the terms hereof shall not be deemed to be a waiver or bar of any right of said Holders, nor a release of any obligation of the Maker to Holders hereof; (iii) To pay Holders without demand any and all costs, expenses and fees incurred by Holders in enforcing payment of any amounts due hereunder, including reasonable attorney's fees incurred before, after or irrespective of whether, suit is commenced. For purposes of this Note, costs, expenses and fees shall also include, by way of illustration and not of limitation, all attorney's fees, costs and expenses payable under the deed of trust or incurred as a result of a filing by or against the Maker of any proceeding under any chapter of the Bankruptcy Code, or any similar state or Federal law relating to Bankruptcy, insolvency or receivership. In the event suit is brought to enforce payment hereof, such costs, expenses and fees and all other issues in such suit shall be determined by a court sitting without a jury.

11. **THIS NOTE IS A NON-RECOURSE NOTE, SO THAT IN THE EVENT OF ANY DEFAULT, THE HOLDERS' SOLE REMEDY SHALL BE TO ENFORCE THE DEED OF TRUST AND REALIZE ON THE HOME ITSELF THROUGH JUDICIAL FORECLOSURE, POWER OF SALE OF OTHER LAWFUL MEANS OF ENFORCING AGAINST THE HOME ITSELF. NO DEFICIENCY JUDGMENT SHALL BE TAKEN AGAINST MAKER.**

\_\_\_\_\_  
MAKER (TRUSTOR)

\_\_\_\_\_  
MAKER (TRUSTOR)

STATE OF ARIZONA       )  
                                      ) ss.  
County of Pima         )

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_ for the purposes therein contained.

\_\_\_\_\_  
NOTARY PUBLIC

My commission Expires: \_\_\_\_\_

**END OF EXHIBIT D**

## EXHIBIT E

U.S. Department of Housing and Urban Development  
Office of Community Planning and Development

### Homebuyer Set Up and Completion Form HOME Program (For single and multi-address activities)

Check the appropriate box: <input type="checkbox"/> Original Submission <input type="checkbox"/> Change Owner's Address <input type="checkbox"/> Ownership Transfer <input type="checkbox"/> Revision	Name and Phone Number of Person Completing Form:
---	--

#### Set Up Activity:

##### A. General Information.

1. Name of Participant:	2. IDIS Activity ID Number:	3. Activity Name:
-------------------------	-----------------------------	-------------------

##### B. CHDO Questions. (Only if applicable)

1. Is funding limited to CHDO Operating (CO) or CHDO Capacity Building (CC) (Y/N)? (If Yes, STOP. DO NOT FILL OUT THIS FORM.)	2. Will activity be funded with CR (Y/N) If yes, CHCO Acting as (enter code) _____ (1) Owner    (2) Sponsor    (3) Developer
3. Will initial funding be a CHDO Site Control and/or Seed Money Loan (Y/N)? (Y/N) _____ (If "Y", answer Item 4.)	4. Is the activity going forward? (Y/N): (If "Y", fill out the rest of the form. If "N", only the cost information is needed.)

##### C. Objective and Outcome.

1. Objective (enter code): _____ (1) Create suitable living environment (2) Provide decent affordable housing (3) Create economic opportunities	2. Outcome (enter code): _____ (1) Availability/accessibility (2) Affordability (3) Sustainability
--	---

##### D. Special Characteristics.

1. Activity Location Type "Y" next to any that apply (1) CDBG Strategy Area    (5) Brownfield redevelopment area (2) Local target area    (6) Conversion of nonresidential to residential use (3) Presidentially declared major disaster area    (7) Colonia (For AZ, CA, NM, TX) (4) Historic preservation area	2. Will this activity be carried out by a faith-based organization (Y/N)?
---	---

##### E. Activity Information.

1. Activity Type (enter code): (2) New Construction Only    (4) Acquisition & Rehab (3) Acquisition Only    (5) Acquisition & New Construction				
2. Homebuyer's Name (optional):		3. Street:		
4. City:	5. State:	6. Zip Code:	7. County code:	Activity Estimates: 8. HOME Units:    9. HOME Cost:
10. Multi-Address (Y/N)?		11. Loan Guarantee (Y/N)?		

##### F. Developer. (For multi-address activities only)

1. Developer Type (Enter code): (1) Individual    (4) Not-for-Profit (2) Partnership    (5) Publicly Owned (3) Corporation    (6) Other	2. Developer's Name:  3. Developer's Street Address:  4. City:    5. State:    6. Zip Code:
--	---

**Complete Homebuyer Activity:**

**G. Activity Information.** If this is a multi-address activity, make copies of this form so that cost and beneficiary information is reported for each address - Sections I, J, and K.

1. Activity Type (enter code): (2) New Construction Only (3) Acquisition Only (4) Acquisition & Rehab (5) Acquisition & New Construction	2. Property Type (enter code): (1) 1-4 Single Family (2) Condominium (3) Cooperative (4) Manufactured Home	3. FHA Insured (Y/N)? (For single address activities.)
4. Lease Purchase? If yes, date of agreement (For single address activities.)		(5) Completed Units: Total number: _____ HOME-assisted : _____

**H. Units.**

1. Of the Completed Units, the number:	<u>Total</u>	<u>HOME-assisted</u>
Meeting Energy Star standards:	_____	_____
504-accessible:	_____	_____
2. Period of Affordability: If you are imposing a period of affordability that is longer than the regulatory minimum, enter the total years (HOME minimum + additional) of affordability. PJ-imposed period of affordability: _____ years.		

**I. Property Address.** (For multi-address activities.)

1. Homebuyer's Name (optional):		2. Homebuyer's Street Address:	
3. City:	4. State:	5. Zip Code:	6. County:

**J. Costs.**

Purchase Price: \_\_\_\_\_

Value After Rehab (for Acquisition/Rehab activities only): \_\_\_\_\_

**1. HOME Funds (Including Program Income)**

		Totals
<b>a. Property Costs</b>		
(1) Amortized Loan	\$	
(2) Grant	\$	
(3) Deferred Payment Loan (DPL)	\$	
(4) Other	\$	
<b>b. Downpayment Assistance</b>		
(1) Amortized Loan	\$	
(2) Grant	\$	
(3) Deferred Payment Loan (DPL)	\$	
(4) Other	\$	
<b>c. CHDO Loan</b>		
HOME Total this address [a + b + c]		\$

## 2. Public Funds

(1) Other Federal Funds	\$	
(2) State/Local Funds	\$	
(3) Tax Exempt Bond Proceeds	\$	
<b>Total Public Funds [(1) + (2) + (3)]</b>		\$

## 3. Private Funds

(1) Private Loans	\$	
(2) Owner Cash Contribution	\$	
(3) Private Grants	\$	
<b>Total Private Funds [(1) + (2) + (3)]</b>		\$
<b>4. Activity Total (or Total this address)</b>		\$

## K. Household Characteristics. (Refer to code below where applicable)

Household								Assistance Type	Total Monthly Rent
Unit #	# of Bdrms	Occupant	% Med	Hispanic? Y/N	Race	Size	Type		
		2							N/A

<b>1. Homebuyer Counseling</b> Homebuyer received (enter code): (1) No Counseling (3) Post-counseling (2) Pre-counseling (4) Both	<b>2. FHA Insured Y/N?</b> (For multi address activities.)	<b>3. First-time homebuyer Y/N?</b> If yes, date of agreement:
<b>4. Coming from subsidized housing Y/N?</b>	<b>5. Lease Purchase Y/N?</b> (For multi address activities.)	

<b># of Bdrms</b> 0 - SRO/Efficiency 1 - 1 bedroom 2 - 2 bedrooms 3 - 3 bedrooms 4 - 4 bedrooms 5 - 5 or more bedrooms	<b>Occupant</b> 1 - Tenant 2 - Owner 9 - Vacant Unit	<b>Household % of Med</b> 1 - 0 to 30% 2 - 30+ to 50% 3 - 50+ to 60% 4 - 60+ to 80%	<b>Household Race</b> 11 - White 12 - Black or African American 13 - Asian 14 - American Indian or Alaska Native 15 - Native Hawaiian or Other Pacific Islander 16 - American Indian or Alaska Native & White 17 - Asian & White 18 - Black or African American & White 19 - American Indian or Alaska Native & Black or African American 20 - Other Multi Racial
<b>Assistance Type</b> 1 - Section 8 2 - HOME TBRA 3 - Other federal, state or local assistance 4 - No assistance	<b>Household Size</b> 1 - 1 person 2 - 2 persons 3 - 3 persons 4 - 4 persons 5 - 5 persons 6 - 6 persons 7 - 7 persons 8 - 8 or more persons	<b>Household Type</b> 1 - Single, non-elderly 2 - Elderly 3 - Single parent 4 - Two parents 5 - Other	

## Instructions for Completing the Homebuyer Set-up and Completion Report HOME Program

Read the instructions for each item carefully before completing the form. The purpose of this report is to assist with the collection of information to be entered into IDIS.

**Applicability.** This report is to be completed for each homebuyer activity assisted with HOME funds.

**Timing.** This report form is used to setup an activity in IDIS so that funds may be drawn down and to complete the activity so that the HOME Program reporting requirements are met.

### Set Up Activity

**A. General Information.** (Only applicable if the activity is being carried out by a CHDO.)

1. **Name of Participant.** Enter the name of the participating jurisdiction or the agency administering the homebuyer activity.
2. **IDIS Activity ID Number.** Enter the activity number assigned by IDIS.
3. **Activity Name.** Enter the name that the grantee or sub-grantee has designated to the activity.

**B. CHDO Questions.** (Only applicable if the activity is being carried out by a CHDO.)

1. **Is funding limited to CHDO Operating (CO) or CHDO capacity Building (CB)?** This report does not apply to CO or CB activities. In IDIS, fund and draw after selecting CO/CC on the HOME menu.
2. **Will the activity be funded with CR (Y/N)?** \_\_\_\_ If yes, CHDO Acting as: (Enter code) \_\_\_\_
  - (1) Owner
  - (2) Sponsor
  - (3) Developer
3. **Will initial funding be a CHDO Site Control and/or Seed Money Loan (Y/N)?** \_\_\_\_ (If Y, answer 4)
4. **Is the activity going forward?** After funding and drawing CL, answer "Y" to proceed to set up a Homebuyer activity or "N" to report costs and complete the activity.

### C. Objective and Outcome

**Objective.** Enter the code of the objective that best describes the purpose of the activity. If a code is not entered in IDIS, the system will default the answer to "2" - Decent affordable housing.

1. **Suitable living environments.** Applies to activities that benefit communities, families, or individuals by addressing issues in their living environment.
2. **Decent affordable housing.** Applies to housing activities that meet individual family or community needs. This objective should not be used for activities where housing is an element of a larger effort.
3. **Creating economic opportunities.** Applies to activities related to economic development, commercial revitalization, and job creation.

**Outcome.** Enter code of the outcome that best describes the benefits resulting from the activity. If a code is not entered in IDIS, the system will default the answer to "2" - Affordability.

1. **Availability/accessibility.** Applies to activities that make services, infrastructure, housing, and shelter available and accessible. Note that accessibility does not refer only to physical barriers.
2. **Affordability.** Applies to activities that provide affordability in a variety of ways. It can include the creation or maintenance of affordable housing, basic infrastructure hookups, or services such as transportation or day care.
3. **Sustainability.** Applies to activities that promote livable or viable communities and neighborhoods by providing services or by removing slums or blighted areas.

### D. Special Characteristics

1. **Activity Location.** Type "Y" next to any that apply. IDIS will default the answer to "N" if an answer is not typed in the field.

- (1) CDBG strategy area is defined as HUD-approved neighborhood or Community Revitalization strategy Area (NRSA or CRSA), identified in the grantee's Consolidated/Annual Action Plan under Section 91.215(e) or Section 91.315(e)(2).
  - (2) Local target area is defined as a locally designated non-CDBG strategy area targeted for assistance.
  - (3) Presidentially declared major strategy area is defined as an area declared a major disaster under subchapter IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
  - (4) Historic Preservation Area is defined as an area designated for historic preservation by local, state, or federal officials.
  - (5) Brownfield redevelopment area is defined as an abandoned, idle, or underused property where expansion or redevelopment is complicated by real or potential environmental contamination.
  - (6) Conversion from non-residential or residential use is self explanatory. An example is converting an old warehouse into rental units or condominiums.
  - (7) Colonia is defined as a rural community or neighborhood located within 150 miles of the U.S.-Mexican border that lacks adequate infrastructure and frequently also lacks other basic services. This field only applies to activities located in the states of Arizona, California, New Mexico, and Texas.
2. **Faith-Based Organization.** Will this activity be carried out by a faith-based organization (Y/N)? Enter "Y" if it is known or if the organization declares itself to be a faith-based organization. If not, enter "N". Note: IDIS will enter the default answer of "N" if an answer is not typed in the field.

### E. Activity Information

1. **Activity Type.** (Enter code): to indicate the type of activity.

- (1) **New Construction Only.**  
Any activity that involved: (a) the addition of units outside the existing walls of the structure and (b) the construction of a new residential unit(s).
  - (2) **Acquisition Only.**  
Acquisition of a structure that received certificate of occupancy at least 13 months before acquisition, which did not require rehabilitation and which is being used to provide affordable housing.
  - (3) **Acquisition & Rehab.**  
A HOME-assisted rehabilitation activity, which included the acquisition of real property.
  - (4) **Acquisition & New Construction.**  
A HOME-assisted new construction activity, which included the acquisition of real property. This includes acquisition of a structure that has received an initial certificate of occupancy within a one-year period prior to acquisition.
2. **Homebuyer's Name (optional).** Enter the name of homeowner. For multi address activities the name of the development can be entered.
3. **Street.** Self explanatory. For multi address activities enter a general description of the project location.
4. **City.** Self explanatory.
5. **State.** Self explanatory.
6. **Zip code.** Self explanatory.
7. **County code.** Enter the county name or code.
8. **Activity Estimates. HOME Units.** Enter the estimated total number of units (upon completion) that will receive HOME assistance.
9. **Activity Estimated HOME Cost.** Enter the total amount of HOME funds requested for the activity.
10. **Multi-Address (Y/N)?** If the activity consists of more than one home, enter "Y" so that costs and beneficiary information can be reported for each address at completion.
11. **Loan Guarantee? Y/N.** Enter Yes or No to indicate whether this activity is supported by a loan guarantee.

### F. Developer Information. (For multi-address activities only.)

1. **Developer Type.** (Enter code.)
  - (1) Individual
  - (2) Partnership



- (3) Corporation
- (4) Not-for-Profit
- (5) Publicly Owned
- (6) Other
2. **Developer's Name.** Enter the name of the developer.
3. - 6. **Developer's Street Address, City, State, and Zip Code.** Self-explanatory.

#### Complete Homebuyer Activity

##### G. Activity Information

1. **Activity Type.** Only if the activity type has changed from set up in E. 1, enter the revised completion activity type in the box.
2. **Property Type.** Enter code to indicate the type of property assisted:
  - (1) 1-4 Single Family
  - (2) Condominium
  - (3) Cooperative
  - (4) Manufactured Home
3. **FHA Insured (Y/N) ?** (For single address activities.) Enter "Y" for yes or "N" for no to indicate whether the property's mortgage is insured by FHA.
4. **Lease Purchase?** (For single address activities.) If there is a lease purchase agreement, enter the date of the agreement.
5. **Completed Units: Total Number: HOME Assisted:** Enter the total number of completed units and the total number of HOME Assisted units.

##### H. Units

1. **Of the units completed, the number: Total and Home-Assisted Meeting Energy Star Standards.** Enter the total number of completed units that meet Energy Star standards and the number of completed HOME-Assisted units that meet Energy Star standards.

Energy Star applies to substantial rehabilitation. It is a system for achieving and verifying a level of building performance with respect to energy efficiency. The performance level is certified by third party contractors. See [www.energystar.gov](http://www.energystar.gov) for more information.

**Total and HOME Assisted 504 accessible.** Enter the total number of completed units and completed HOME assisted units that are 504 accessible. Note: IDIS will default the answers to zero if units are not entered in these fields.

2. **Period of Affordability.** If you are imposing a period of affordability that is longer than the regulatory minimum, enter the total years (HOME minimum + additional) of affordability. PJ-imposed period of affordability: \_\_\_\_\_ years. The period of affordability for Homebuyer activities is based on the amount of HOME funds invested in the housing:

Per Unit HOME Amount	Minimum Period of Affordability
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

To indicate that the housing is to be affordable in perpetuity, enter "99" in the PJ-Imposed Period of Affordability field.

##### I. Property Address (For multi-address activities.)

1. **Homebuyer's Name.** (Optional.)
2. - 6. **Homebuyer's Street Address, City, State, Zip Code, and County Code.** Self-explanatory.

##### J. Costs

**Purchase Price.** Enter the price paid by the homebuyer for the property as evidenced on the deed.

**Value After Rehab.** Enter the dollar value of the property. The dollar value is the appraised value of the property before rehabilitation plus the total rehabilitation cost (i.e. all materials, supplies and labor costs directly related to the rehabilitation of the property).

**Costs.** Include all HOME funds used for the activity and all other funds (public and private). **Do not double count.** If private funds are used for construction financing and those funds are later replaced by

permanent financing, **do not report both.** Report all HOME funds expended on the activity. (Note: Federal regulations specifically prohibit paying back HOME funds with HOME funds.) For funds other than HOME, to the extent a choice must be made to avoid double counting, report permanent financing rather than construction financing. The total amount of HOME funds reported in the block titled "Total HOME funds (Total Item (1) for all addresses must equal the total amount disbursed through IDIS for this activity.

##### 1. HOME Funds. (Including Program Income.)

Enter funds provided for a. **Property Costs** and for b. **Downpayment Assistance.** Note: For this activity to be

reported as an ADDI activity, an amount must be entered in the Downpayment Assistance Section b. for each property address that is to be counted as assisted with ADDI funds.

##### a. Property Costs - b. Downpayment Assistance

- (1) **Amortized Loan.** Enter the amount of HOME funds provided for this activity in the form of an amortized loan. If there are multiple loans, enter the interest rate and term of the largest loan.
- (2) **Grant.** Enter the amount of HOME funds provided without any repayment requirements. (Note: A grant may be used to reduce the principal amount borrowed, a principal reduction payment, or the effective interest rate, an interest subsidy payment, on a privately originated loan.)
- (3) **Deferred Payment Loan (DPL).** Enter the amount of HOME funds provided through loans where payment of principal and interest is deferred until a future time and enter the interest rate and amortization period, if any. A DPL is sometimes called a conditional grant (e.g., repayment is required when the property is sold, or is forgiven if the owner does not sell the property for a specified number of years or repayment of principal and interest starts after the bank loan is repaid.)
- (4) **Other.** Enter the total amount of HOME funds provided for subsidy funding that is other than the type of loan/grant assistance identified in the above items listed in (1) through (3).

##### c. CHDO Loan.

Enter the amount of HOME funds provided as a CHDO loan for the activity.

**Total HOME Funds or total this address.** Enter the total of items a through c as the amount of HOME funds expended.

##### 2. Public Funds.

- (1) **Other Federal Funds.** Exclude any HOME funds expended.
- (2) **State/Local Funds.**
- (3) **Tax Exempt Bond Proceeds.** Report funds used for development costs only.

**Total Public Funds.** Enter the total of items (1) through (3) as the amount of Public Funds expended.

##### 3. Private Funds.

- (1) **Private Loans.** Enter the amount of all of the costs that have been paid with funds obtained from private financial institutions, such as banks, savings and loans, and credit unions, and enter the interest rate and amortization period of the loan. If there are multiple loans, enter the interest rate and term of the largest loan. (Do not double count.)

- (2) **Owner Cash Contribution.** Enter the amount of all cash contributions provided by the homebuyer.

- (3) **Private Grants.** Enter the amount of cash contributions provided by private organizations, foundations, donors, etc.

**Total Private Funds.** Enter the total of items (1) through (3) as the amount of Private Funds expended.

4. **Activity Total or Total Address.** Enter the sum of totals for HOME funds, Public funds and Private funds.

##### K. Household Characteristics.

Complete one line for the head of household of each residential unit that is receiving homebuyer assistance from the HOME Program.

**Unit Number.** Enter the unit number of each unit that will receive HOME assistance.

**Number of Bedrooms.** Enter 0 for a single room occupancy (SRO) unit or for an efficiency unit, 1 for 1 bedroom, 2 for 2 bedrooms, 3 for 3 bedrooms, 4 for 4 bedrooms, and 5 for 5 or more bedrooms.

Revised (8/06)

**Occupant.** For homebuyer activities, one unit must be owner occupied. If there are tenant occupied units, enter 1 for tenant or 9 for vacant.

**Percent of Area Median Income.** For each occupied residential unit, enter one code only based on the following definitions:

1. **0-30 Percent of Area Median Income** refers to a household whose annual income is at or below 30 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.
2. **30+-50 Percent of Area Median Income** refers to a household whose annual income exceeds 30 percent and does not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.
3. **50+-60 Percent of Area Median Income** refers to a household whose annual income exceeds 50 percent and does not exceed 60 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.
4. **60+-80 Percent of Area Median Income** refers to a household whose annual income exceeds 60 percent and does not exceed 80 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.

**Hispanic? Y/N.** For each occupied residential unit, enter the ethnicity for the head of household as either "Y" for Hispanic or Latino or "N" if the head of household is not Hispanic nor Latino. Hispanic or Latino race is defined as a person of Cuban, Mexican, Puerto Rican, South or Central American, other Spanish culture or origin, regardless of race. The term, "Spanish origin," can be used in addition to "Hispanic or Latino."

**Race of Head of Household.** For each occupied residential unit, enter one code only based on the following definitions:

11. **White.** A person having origins in any of the original peoples of Europe, North Africa or the Middle East.
12. **Black/African American.** A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American."
13. **Asian.** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand and Vietnam.
14. **American Indian/Alaska Native.** A person having origins in any of the original peoples of North and South America (including Central America), and who maintains affiliation or community attachment.
15. **Native Hawaiian/Other Pacific Islander.** A person having origins in any of the original people of Hawaii, Guam, Samoa or other Pacific Islands.
16. **American Indian/Alaska Native & White.** A person having these multiple race heritages as defined above.
17. **Asian & White.** A person having these multiple race heritages as defined above.
18. **Black/African American & White.** A person having these multiple race heritages as defined above.
19. **American Indian/Alaska Native & Black/African American.** A person having these multiple race heritages as defined above.
20. **Other Multi Racial.** For reporting individual responses that are not included in any of the other categories listed above.

**Household Size.** Enter the appropriate number of persons in the household: 1, 2, 3, 4, 5, 6, 7, or 8 or more persons (for households of more than 8, enter 8).

**Household Type.** For each residential unit, enter one code only based on the following definitions:

1. **Single, Non-elderly.** One-person household in which the person is not elderly.
2. **Elderly.** One or two person household with a person at least 62 years of age.
3. **Single Parent.** A single parent household with a dependent child or children (18 years old or younger).
4. **Two Parents.** A two-parent household with a dependent child or children (18 years old or younger).

5. **Other.** Any household not included in the above 4 definitions, including two or more unrelated individuals.

**Assistance Type.** For rented units, enter one code only to indicate the type of assistance, if any, being provided to the tenant.

1. **Section 8.** Tenants receiving Section 8 assistance through the Section 8 Certificate Program under 24 CFR part 882 or the Section 8 Housing Voucher Program under 24 CFR part 887.
2. **HOME TBRA.** Tenants receiving HOME tenant-based rental assistance.
3. **Other federal, state or local assistance.** Tenants receiving rental assistance through other federal, state or local rental assistance programs.
4. **No assistance.** Self-explanatory.

**Total Rent.** For renters, enter the total monthly rent (tenant contribution plus subsidy amount).

1. **Homebuyer Counseling.** Enter the code to indicate the type of counseling received by the homebuyer, if any:  
(1) No counseling  
(2) Pre-counseling  
(3) Post-counseling  
(4) Both
2. **FHA-Insured (Y/N)?** Enter Yes, "Y", or No, "N", to indicate whether the property's mortgage is insured by FHA.
3. **First-time Homebuyer (Y/N)?** Enter "Y", if a first-time homebuyer. If not, enter "N".
4. **Coming from subsidized housing Y/N?** Enter "Y" if the homebuyer was living in public housing or receiving rental assistance from a federal, state or local program immediately prior to HOME assistance or "N" if not.
5. **Lease Purchase (Y/N)?** (For single address activities.) If there is a lease purchase agreement, enter the date of the agreement.

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