

**MACOMB COUNTY
HOUSING REHABILITATION PROGRAM WRITTEN AGREEMENT**

NOTICE TO HOMEOWNER: Macomb County's Housing Rehabilitation Program (PROGRAM), which is administered by Macomb Community Action, is funded through HOME Investment Partnerships (HOME) or Community Development Block Grant (CDBG) funds provided through the U.S. Department of Housing and Urban Development. This AGREEMENT contains a number of requirements you must fulfill in exchange for the federal assistance you are receiving through the PROGRAM. You should read each paragraph carefully and ask questions regarding any sections you do not fully understand. This AGREEMENT will be enforced by a mortgage note and mortgage as set forth in Section 1 below. You should be sure that you thoroughly understand these documents before you sign them.

THIS AGREEMENT made and entered into by and between the County of Macomb (hereinafter referred to as "LENDER") and _____, _____ (Hereinafter referred to as the ("HOMEOWNER(s)")) is to provide assistance to the HOMEOWNER(s) through funding made available through the PROGRAM, a federal program administered by the U.S. Department of Housing and Urban Development (HUD). The assistance is to help make it possible for the rehabilitation of the HOMEOWNER's residence located at _____, Michigan. The legal description of the property is as follows:

(legal description), City/Township of _____, County of Macomb and State of Michigan, as recorded in Liber _____, Page _____ of Plats, Macomb County Records. Property Address: _____ Sidwell # _____.

SECTION 1. USE OF FUNDS

The HOMEOWNER and the LENDER agree that the assistance provided through the PROGRAM will be used to pay the costs of rehabilitating the HOMEOWNER's home.

SECTION 2. SCOPE OF PROGRAM

The LENDER, by way of a no-interest, deferred payment loan to the HOMEOWNER, will loan the HOMEOWNER the sum of _____. The loan will be protected by a mortgage note and mortgage filed against the residence located at _____, Michigan.

SECTION 3. PRINCIPAL RESIDENCE REQUIREMENT

The home must, during the entire period of time covered by this AGREEMENT, remain the principal place of residence for the HOMEOWNER(s). Should the HOMEOWNER(s) not maintain the home as his/her principal residence, or rent or sell the residence to another party, the HOMEOWNER will be in breach of this agreement and will be required to repay the loan based on the terms set forth in the Mortgage Note.

SECTION 4. LOW INCOME HOMEOWNER

The HOMEOWNER attests, and the LENDER has verified, that the HOMEOWNER qualifies as a low-income individual or household as defined by the PROGRAM. "Low-income" is defined as an individual or household whose total income does not exceed 80% of the Area Median Income (AMI) as defined by HUD.

SECTION 5. HOUSING DETERMINED TO BE MODEST

If assisted through HOME funds, the LENDER has estimated that the value of the property, after rehabilitation, does not exceed 95 percent (95%) of the median purchase price of homes for the area,

as set forth in 24 CFR Part 92.254(a). This section is not applicable for housing assisted through the use CDBG funds.

SECTION 6. REHABILITATION WORK TO BE UNDERTAKEN

The scope of the work to be undertaken under this agreement is described under Attachment #1 – Signed Work Specifications.

SECTION 7. PROPERTY STANDARDS

Pursuant to PROGRAM rules, the rehabilitation completed under this agreement must be performed in compliance and conformance with the Michigan Residential Building Code, Michigan Rehabilitation Code for Existing Buildings, and Local Municipal Code.

SECTION 8. PROJECT COMPLETION DATE

The CONTRACTOR must contact the homeowner(s) within ten (10) Macomb County business days after the issuance of the Proceed to Work Order to schedule a pre-construction meeting, and satisfactorily complete the work within ninety (90) calendar days.

The CONTRACTOR may request an extension of the Contract by submitting the reasons for such in writing to the HOMEOWNER(s) c/o Macomb County Housing Rehabilitation Program prior to the scheduled completion date. If the extension is not approved, the CONTRACTOR must satisfy the Contract within fourteen (14) working days of the denial. If the work is not completed by that date, the CONTRACTOR shall be held in violation and shall forfeit his rights to the full Contract price. The OWNER with approval of the Macomb County Housing Rehabilitation Program, may then select a second contractor to complete the work. The costs of the second contract will be deducted from the price of this Contract. The original CONTRACTOR will receive no more than the remaining amount as total settlement.

SECTION 9. SUBORDINATION POLICY

Future Loan Refinancing – The LENDER may consider a subordination request of its superior position to enable a homeowner a more favorable mortgage (e.g., lower rate and/or term). County policy does not grant subordination if equity is to be removed from the property to achieve cash, finance improvements, or debt consolidation.

_____ Date _____
HOMEOWNER

_____ Date _____
HOMEOWNER

STATE OF MICHIGAN, MACOMB COUNTY ss:

The foregoing instrument was acknowledged before me this _____

By _____

Notary Public
State of Michigan
County of Macomb _____ My
Commission
Expires _____

Acting in the County of Macomb

Attachment #1

Signed Work Specifications