

AGREEMENT  
FOR  
Neighborhood Stabilization Program 1 and 3 (NSP1 and NSP3) and Neighborhood Purchase  
Rehab Resale Program (NPRR) Participating Lender Down Payment and Gap Financing  
Assistance

THIS AGREEMENT entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024, between the County of Genesee, A MUNICIPAL CORPORATION, acting by and through its Community Development Program, located at Room 111, County Administration Building, 1101 Beach Street Flint, Michigan 48502-1470, hereinafter referred to as the "County" and **Preston Home Loans** located at, 1537 E Hill Rd suite 100, Grand Blanc mi 48439 hereinafter, referred to as the "Lender."

WITNESSETH:

WHEREAS, the County was awarded funds from the U.S. Department of Housing and Urban Development (HUD), under Title III of Division B of the Housing and Economic Recovery Act of 2008 and under Section 2301 (b) of the Housing and Economic Recovery Act of 2008, as amended, and an additional allocation of funds provided under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 for additional assistance in accordance with the second undesignated paragraph under the heading 'Community Planning and Development – Community Development Fund' in Title XII of Division A of the American Recovery and Reinvestment Act of 2009, as amended (together the "Acts"), and hereby offers financial assistance to eligible homebuyers to acquire Genesee County Neighborhood Stabilization Program or Neighborhood Purchase Rehab Resale Program assisted homes in accordance with the requirements of the HOME Investment Partnerships (HOME) Program Section 24, Code of Federal Regulations (CFR), as set forth in Parts 91 and 92; and Community Development Block Grant program and

WHEREAS, GCMPC has submitted an amendment to the Genesee County 2008 Annual Action Plan to the Department of Housing and Urban Development for funding under the NSP1; and

WHEREAS, GCMPC has submitted an amendment to the Genesee County 2010 Annual Action Plan to the Department of Housing and Urban Development for funding under the NSP3. GCMPC will act as the administrator of the Genesee County NSP/NPRR funding; and

WHEREAS GCMPC has submitted the NPRR program to the Department of Housing and Urban Development for funding under the Community Development Block Grant program as part of the annual action plan; and

WHEREAS, the NSP/NPRR assists very low, low, moderate and/or middle income households achieve homeownership;

WHEREAS, the Lender is a primary home mortgage lender, and the County and Lender desire to expand the availability of decent, safe, sanitary and affordable housing for very low, low, moderate and middle income families by coordinating their activities under the methods and procedures set forth herein; and

WHEREAS, the Lender agrees that the terms and conditions set forth herein are a reasonable and appropriate means to assure the use of funds in compliance with the Acts, the Authority's General Rules, the provisions of the HOME Program, of 24 CFR Parts 91 and 92; and

WHEREAS, the above stated objectives of the County NSP/NPRR are consistent with objectives of the Lender, the two parties have therefore, entered into this agreement for the purpose of providing down payment and closing cost assistance to qualified homebuyers.

NOW, THEREFORE, the County agrees to provide the Lender a maximum of ten thousand dollars (\$10,000) for each eligible very low, low, moderate and middle income homebuyer, and/or up to \$25,000 in gap financing for eligible homebuyers for the purposes incorporated herein; and in consideration of the mutual covenants and promises set forth herein, the parties hereto agree as follows:

1. The Lender agrees to implement the NSP/NPRR, more specifically described in Exhibit A, attached hereto and incorporated herein, subject to limitations set forth therein and terms and conditions set forth in 24 CFR Parts 91 and 92. (Exhibit B)

2. The Lender agrees to conduct marketing outreach of the NSP/NPRR to low-income families; residents and tenants of public housing and manufactured housing and mobile home park tenants; and families receiving assistance from public housing agencies.
3. The Lender agrees to determine program and income eligibility and underwrite the Loan Application Package and shall forward to the County NSP/NPRR and to the potential homebuyer, written notice of loan approval.
4. The Lender agrees to provide certification that all homes to be assisted with NSP/NPRR funds have been inspected by a licensed appraiser prior to the execution of the purchase agreement and payment of mortgage application fee.
5. The Lender agrees to provide each homebuyer with referrals to HUD approved Housing Counseling Agencies and to provide the County with referral documentation. (Exhibit C)
6. The Lender agrees to process, document, and fund Buyer's mortgages for the Program in all cases where Loan Application Packages have been approved by the Lender, according to all applicable laws, regulations, and Lender policies and procedures.
7. The Lender agrees to assure the signing of a second, and where gap financing is provided a third, mortgage/lien and a promissory note in the amount of the NSP/NPRR assistance, payable to the Genesee County Community Development Program. (Exhibit C)
8. The County agrees that the second, and where applicable third, mortgage shall be subordinate to the mortgage/lien of the Lender.
9. In the event that the home is sold or that the owner ceases using the home as his/her principal residence, the owner understands, pursuant to agreement, that he would be responsible to pay the NSP/NPRR consideration which he received, to the Genesee County Community Development Program. This shall be enforced with the use of a 15 year forgivable lien.
10. The Lender agrees to submit documents to include: certification of client income, property appraisal and funding request form. Upon receipt of all required documentation, the County agrees to prepare an approval letter stating the homebuyer is eligible for assistance. (Exhibit C)
11. The County agrees to subsidize an amount up to ten-thousand dollars (\$10,000) for each eligible very low, low, moderate and middle income household, per approved mortgage in NSP/NPRR down payment and closing cost assistance. Said sum to be used for up to 50% of the required down payment; prepaid taxes and insurance; interest rate buy down to qualifying homebuyer; and/or closing costs based on available NSP/NPRR funds. The County agrees to subsidize an amount up to twenty-five thousand dollars (\$25,000) for each eligible very low, low, moderate and middle income household per approved mortgage. Said sum to be used to provide financing to assist households which may not qualify for a loan amount which will allow the household to purchase a NSP/NPRR assisted home. Exact amounts of subsidy will be determined by the County.
12. The Lender acknowledges and agrees to witness the homebuyer's signature on Genesee County's Subordination Policy. (Exhibit C)
13. The County agrees to immediately notify the Lender upon exhaustion of available NSP/NPRR funds.
14. The County assumes no credit risk for any loan made under the Program and shall not be liable or responsible in any manner for repayment of a loan in the event of a borrower's default on the promissory note with the Lender.
15. The term of this Agreement shall be for three years from the Genesee County Board of Commissioners approval date. This Agreement may be amended, so long as such amendment is in writing and agreed upon by both Genesee County and Lender.
16. This contract may be terminated by the County for reasons of diminution of funds, or any reason related to changing the objectives of the Genesee County Metropolitan Planning Commission, the NSP/NPRR, or the Lender, by giving the other party fourteen (14) days prior notice of the effective date of termination. Further costs and liabilities associated with this Agreement will no longer be incurred on or after that effective date of termination.

17. The Lender shall assure that homebuyer does not exceed 120% of the current Flint and Genesee County median family income for NSP and 80% for NPRR. (Exhibit D)
18. The Lender acknowledges and agrees to the FHA Mortgage Limits. (Exhibit D)
19. This agreement shall be governed by the laws of the State of Michigan.

[SIGNATURE PAGE FOLLOWS]

PRESTON HOME LOANS

GENESEE COUNTY

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

By: \_\_\_\_\_  
Name:  
Title:  
Preston Home Loan

By: \_\_\_\_\_  
Derek Bradshaw  
Director  
Genesee County Metropolitan Planning  
Commission

By: \_\_\_\_\_  
James Avery, Chairperson  
Genesee County Board of Commissioners

NOTARY FOR THE COUNTY OF GENESEE

State of Michigan)  
§  
County of Genesee)

On this \_\_\_\_\_ day of \_\_\_\_\_ 2024, before me a Notary Public in and for said County, personally appeared **Derek Bradshaw, Director**, who being by me sworn, did acknowledge and say that he is authorized to sign this agreement.

\_\_\_\_\_  
**PRINTED NAME OF NOTARY**  
Notary Public, State of Michigan  
County of Genesee  
My Commission Expires:  
Date Notarial Act Performed: \_\_\_\_\_

NOTARY FOR PRESTON HOME LOANS

State of \_\_\_\_\_)  
§  
County of \_\_\_\_\_)

On this \_\_\_\_\_ day of \_\_\_\_\_ 2024, before me a notary public in and for said County, personally appeared \_\_\_\_\_ who being by me sworn, did acknowledge and say that he/she is authorized to sign this agreement.

\_\_\_\_\_  
**PRINTED NAME OF NOTARY:** \_\_\_\_\_  
Notary Public, State of Michigan, County of \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
Date Notarial Act Performed: \_\_\_\_\_

## EXHIBIT A

A maximum of ten thousand dollars (\$10,000) per approved mortgage for each eligible very-low low-, moderate- and middle-income household, in NSP/NPRR funds may be available to the Lender to assist eligible buyers to purchase eligible homes. Additional funds may be made available upon request by lender and concurrence of County. The criteria are as follows:

### 1. PROGRAM ELIGIBILITY

Homebuyers eligible for assistance under the Program covered by this Agreement shall:

- Have an annual household income based on household size not to exceed 120% of the current median family income for Genesee County.

### 2. PROPERTY ELIGIBILITY

Property eligible for assistance under the Program covered by this Agreement shall:

- Have been, or will be, rehabilitated using Genesee County NSP/NPRR funds.
- Be the principal residence of the homebuyer.
- Meet the Housing Quality Standards as set forth in 24 CFR Part 91 and 92.251

### 3. PROJECT COSTS

The County subsidy may be used for the following eligible costs:

- (1) Acquisition costs - The cost of acquiring single family housing.
- (2) Related soft costs - Reasonable and necessary costs incurred by the homebuyer and associated with the financing of single family housing acquisition and rehabilitation. These costs include, but not limited to:
  - (i) Costs to process and settle the financing for purchase of a home, such as private lender origination fees, credit report fees, fees for title evidence, fees for recordation and filing of legal documents, attorney fees, and private appraisal fees.
  - (ii) Ineligible costs – NSP/NPRR funds under this Agreement may not be used for the development costs (hard costs or soft costs) of new construction of housing for rental purpose.

## EXHIBIT B

### NEIGHBORHOOD STABILIZATION PROGRAM & NEIGHBORHOOD PURCHASE REHAB RESALE PROGRAM FEDERAL REQUIREMENTS

The Lender hereby assures and certifies compliance with the statutes, rules, regulations, and guidelines associated with the acceptance and use of funds under the NSP/NPRR as implemented pursuant to the HOME regulations contained in 24 CFR Parts 91 and 92. The Genesee County Metropolitan Planning Commission through the Community Development Program, is administering this Program on behalf of the County of Genesee. These certifications and assurances shall include the following:

- A. The Lender shall use NSP/NPRR funds for activities and costs defined as "such" under 24 CFR Part 92.602. (Exhibit A)
- B. The Lender shall comply with the requirements of Executive Order 11063 24 CFR 107: 24 CFR 1 and 24 CFR 100 relating to Equal Opportunity in Housing, Fair Housing, and pertaining to the Title VI Civil Rights Act of 1964 regarding nondiscrimination in Federal programs.
- C. The Lender shall assure that the property purchased is the owner's principal residence pursuant to 24 CFR Parts 91 and §92.254.
- D. The Lender shall assure that housing assisted with NSP/NPRR funds meet affordability requirements contained in 24 CFR §92.254(a) and (c).
- E. The Lender acknowledges and agrees that it shall be subject to the sanctions set forth in NSP/NPRR Regulations 24 CFR 92, if determined to be applicable by the County.
- F. The Lender shall comply with Conflict of Interest provisions in the procurement of property and services according to 24 CFR §85.36 and OMB Circular 110.
- G. The Lender shall provide certification of a second lien payable to Genesee County Community Development Program.

## EXHIBIT C

Exhibit C contains the following information:

HUD Approved Housing Counseling Agencies  
Genesee County NSP/NPRR Down Payment/Closing Cost Assistance Property Mortgage Lien  
NSP/NPRR Deferred Payment Loan Promissory Note  
Genesee County NSP/NPRR Gap Financing Lien  
Genesee County NSP/NPRR Lender Checklist  
Request for Funding Form  
Genesee County Subordination Policy

## HUD Approved Housing Counseling Agencies in Genesee County, Michigan

### GREENPATH DEBT SOLUTIONS

2222 S. Linden Rd. Ste. D

Flint, MI 48532

Toll-Free: (888) 860-4167

Website: [www.greenpath.com](http://www.greenpath.com)

Type of Counseling:

- Financial Management/Budget Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-purchase Counseling
- Pre-purchase Homebuyer Education Workshops
- Rental Housing Counseling
- Services for Homeless Counseling

Affiliate of GREENPATH, INC.

### METRO COMMUNITY DEVELOPMENT, INC.

1174 Robert T Longway Blvd,

Flint, MI 48503

Phone: (810) 767-4622

Website: [www.metro-community.org](http://www.metro-community.org)

Type of Counseling:

- Fair Housing Pre-Purchase Education Workshops
- Financial, Budgeting and Credit Repair Workshops
- Home Improvement and Rehabilitation Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Pre-Purchase Counseling
- Pre-Purchase Homebuyer Education Workshops
- Resolving/Preventing Mortgage Delinquency Workshops
- Services for Homeless Counseling

Affiliate of: HOUSING PARTNERSHIP NETWORK

### MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

735 E. Michigan Ave.

Lansing, MI 48909

Phone: (517) 373-6840

E-mail: [MSHDA-Home-Ownership-PF@michigan.gov](mailto:MSHDA-Home-Ownership-PF@michigan.gov)

Website: [www.michigan.gov/mshda](http://www.michigan.gov/mshda)

Type of Counseling:

- Fair Housing Pre-Purchase Education Workshops
- Financial Management/Budget Counseling
- Mortgage Delinquency and Default Resolution Counseling
- Non-Delinquency Post Purchase Workshops
- Pre-Purchase Counseling
- Pre-Purchase Homebuyer Education Workshops
- Predatory Lending Education Workshops

### GENESEE COUNTY HABITAT FOR HUMANITY

101 Burtons St,

Flint, MI 48503

Phone: (810) 766-9089

Website: [www.geneseehabitat.org](http://www.geneseehabitat.org)

Type of Counseling:

- Pre-Purchase Counseling
- Pre-Purchase Homebuyer Education Workshops
- Fair Housing Pre-Purchase Education Workshops



**GENESEE COUNTY NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
& NEIGHBORHOOD PURCHASE REHAB RSALE PROGRAM (NPRR)  
DOWN PAYMENT/CLOSING COST PROPERTY MORTGAGE LIEN**

This Mortgage LIEN is in conjunction with a Neighborhood Stabilization Program or Neighborhood Purchase Rehab Resale Program repayable loan made by the Mortgagee for the exclusive purpose of assisting the Mortgagor with down payment and/or closing costs for property as described below.

WITNESSETH BY THIS INDENTURE, made this XX<sup>XX</sup> day of XXXXXXXXXXXX, 2024,

by XXXXXXXXXXXX, a XXXXXXXXXXXX, hereinafter referred to as the Mortgagor, hereby mortgages and warrants to Genesee County, through its Genesee County Metropolitan Planning Commission, Community Development Program, Room 111, Genesee County Administration Building, 1101 Beach Street, Flint, Michigan 48502-1470, hereinafter referred to as Mortgagee, the following described lands and premises situated in the XXXXXXXXXXXX, County of Genesee and State of Michigan, viz:

Tax Parcel No.: XX-XX-XXX-XXX

Legal Description: XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Commonly known as: XXXX XXXXXXXXXXXXXXXXXXXX, XXXXXXXXXXXX, MI XXXXX

Together with all tenements, hereditaments, and appurtenances now or hereinafter thereunto belonging, to secure the repayment of:

XXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXX Dollars and XXXXX cents (\$X,XXX.XX)

with interest of zero percent (0%) per annum, payable according to the following terms of a promissory note of even date; and the Mortgagor further covenants:

- (1) The Genesee County Neighborhood Stabilization Program and Neighborhood Purchase Rehab Resale Program require an affordability period of 15 years beginning with the date of this Agreement. The amount funded under the mortgage and note will be forgiven at the end of fifteen years provided the Mortgagor (homebuyer) has owned and occupied the house throughout the fifteen-year period. The amount of funds to be forgiven will be based on the following:

First five years.....0% forgiven

Sixth Year through fifteenth year.....10% forgiven on an annual basis
- (2) The amount of the loan to be repaid, based upon the above terms, will be recaptured if the Mortgagor sells the aforesaid property within the required period of affordability or discontinues use of the premises as Mortgagor(s) (Homebuyer) principal place of residence.
- (3) In cases where the Mortgagor (Homebuyer) violates the terms and conditions of the mortgage and/or note, (e.g.) uses the property for rental purposes or the property is no longer the Mortgagor(s) principal residence, the entire amount of Neighborhood Stabilization Program or Neighborhood Purchase Rehab Resale Program financial assistance shall be due. In cases where the aforesaid property is foreclosed upon, the net proceeds, if any, from the foreclosure sale will be recaptured and deposited in the Community Development Program.
- (4) Where net proceeds of the sale are insufficient for the Mortgagor (Homebuyer) to repay the full amount of this lien and the Homebuyers capital investments, the amount of funds to be recaptured will be based on the following:

i) If the sum of these investments plus the amount due the Mortgagee equals or is less than the net proceeds of sale, then the homebuyer would be allowed to recover his or her investment in the property first, with full remainder being paid to the Mortgagee.

ii) If the sum of these investments plus the amount due the Mortgagee exceeds the net proceeds of funds remaining to be paid back to the Mortgagee after payment of the first mortgage, the remainder will be paid back to the Mortgagee. The amount would be considered payment in full.

iii) If the sum of the investments plus the amount due the Mortgagee exceeds the net proceeds of sale, then the Homebuyer would be allowed to recover his or her investment in the property first. If there are no funds remaining to be paid back to the Mortgagee after payment of the first mortgage, such an amount would be considered payment in full.

iv) In all other cases, where the property's net proceeds either exceed the County's initial Neighborhood Stabilization Program or Neighborhood Purchase Rehab Resale Program investment, or where the title to the property is during the affordability period, Genesee County will require immediate payment of the lien note as a condition for release of any lien placed on the property.
- (5) Mortgagee acknowledges that there is a lien prior to this Property Lien. Genesee County Metropolitan Planning Commission, Community Development Program, acting in accordance with policies established by the Genesee County Board of Commissioners, is prohibited from subordinating its lien on a property assisted with Genesee County Neighborhood Stabilization Program or Neighborhood Rehab and Resale Program down payment assistance, when that subordination will result in a situation where the total debt attached to the property exceeds 80% of that property's appraised value. (Attachment "a")
- (6) Mortgagor (Homebuyer) acknowledges that if he/she/they wish(es) to refinance the aforesaid property within the required period of affordability, the Mortgagor (Homebuyer) may do so if the refinance is for the sole purpose of reducing the mortgage interest rate, and not for obtaining property home equity proceeds through the refinance transaction. In the event that the County is asked to take an action on the disposition of this lien for any reason other than the original agreement, documentation shall be delivered by the Mortgagor (Homebuyer) to Genesee County Metropolitan Planning Commission, Community Development Program, requesting approval of the action. (Attachment "b").
- (7) This lien is junior to the mortgage lien of

The covenants herein shall bind, and the benefits and advantages inure to, the respective heirs, assigns, and successors of the parties.

MORTGAGOR: XXXXXX XXXXXXXX

GENESEE COUNTY  
DEREK BRADSHAW, DIRECTOR  
GENESEE COUNTY METROPOLITAN PLANNING  
COMMISSION

**MORTGAGOR:**

State of Michigan)  
County of Genesee) ss

On this XX day of XXXXXXXX, 2024, before me a Notary Public in and for said County, personally appeared **Derek Bradshaw** who being by me sworn, did acknowledge and say that he is the **Director** of the Genesee County Metropolitan Planning Commission and that he is authorized to sign this agreement.

PRINTED NAME OF NOTARY  
Notary Public, State of Michigan  
County of Genesee  
My Commission Expires:  
Date Notarial Act Performed: \_\_\_\_\_

State of Michigan)  
County of Genesee)ss

On this XX day of XXXXXXXXXX 2024, before me a Notary Public in and for said County, personally appeared \_\_\_\_\_ who being by me sworn, did acknowledge and say that he/she is authorized to sign this agreement.

PRINTED NAME OF NOTARY \_\_\_\_\_  
 Notary Public, State of Michigan, County of Genesee  
 My Commission Expires: \_\_\_\_\_  
 Date Notarial Act Performed: \_\_\_\_\_

**Prepared by and return to:  
Genesee County Metropolitan Planning Commission  
Community Development Program  
1101 Beach Street, Room 111  
Flint, Michigan 48502-1470**

**GENESEE COUNTY  
NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
& NEIGHBORHOOD REHAB RESALE PROGRAM (NPRR)**

**DEFERRED PAYMENT LOAN PROMISSORY NOTE**

Homeowner:

Address:

Amount:

FOR VALUE RECEIVED, the undersigned jointly and severally promise(s) to pay to the order of Genesee County, through its Neighborhood Stabilization Program or Neighborhood Purchase Rehab Resale Program Trust Fund (hereinafter called the County) or its successors the sum of

(\_\_\_\_\_).

It is agreed and understood by the undersigned and the County that repayment of this loan is deferred while the undersigned remains the owner (in fee simple or as purchaser under land contract) and resides at the above property. Transfer of the ownership interest or cessation of residency by moving from the property, shall constitute a default of the deferment agreement and cause the full amount as prescribed below, to become due and payable. Failure of the County to exercise this option shall not constitute a waiver of the default.

Loan Amount:           \$\_\_\_\_\_

The amount of funds to be forgiven will be based on the following:

First five years.....0% forgiven  
Sixth Year through fifteenth year.....10% forgiven on an annual basis

IN THE EVENT the undersigned defaults in any of the terms of this Note, the principal amount of the Note shall become due and payable. The County, at its option, may prepare an alternative promissory note requiring monthly payments of principal under such conditions as it deems best.

The undersigned shall have the right to reject the alternative Note by paying the principal amount of this Note within 30 days of the default. Failure of the undersigned to pay the principal amount of this Note or to execute an alternative Note within 30 days of the default shall constitute a breach of this Note and the County may proceed to suit to recover on this Note.

IN THE EVENT of defaults in any of the terms of this grant agreement, the undersigned may also be required to pay costs of collection expenses, if any, including attorney's fees and legal expenses.

THIS NOTE is secured by a Mortgage Lien duly filed for record with the Register of Deeds, Genesee County, Michigan.

[SIGNATURE PAGE FOLLOWS]

\_\_\_\_\_ day of \_\_\_\_\_, 2024.

GENESEE COUNTY  
DEREK BRADSHAW, DIRECTOR  
GENESEE COUNTY METROPOLITAN PLANNING  
COMMISSION

**NOTARY FOR GENESEE COUNTY**

On this \_\_\_\_\_ day of \_\_\_\_\_, 2024, before me, a Notary Public in and for said County, personally appeared \_\_\_\_\_, known to me to be the person(s) described in and who executed the within Mortgage, and then acknowledged the execution thereof to be their own free act and deed.

Notary Public, State of Michigan, County of Genesee  
My Commission Expires: \_\_\_\_\_  
Date Notarial Act Performed: \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, 2024, before me, a Notary Public in and for said County, personally appeared \_\_\_\_\_, known to me to be the person(s) described in and who executed the within Mortgage, and then acknowledged the execution thereof to be their own free act and deed.

Notary Public, State of Michigan, County of Genesee  
My Commission Expires: \_\_\_\_\_  
Date Notarial Act Performed: \_\_\_\_\_

**GENESEE COUNTY NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
& NEIGHBORHOOD PURCHASE REHAB RESALE PROGRAM (NPRR)  
GAP FINANCING PROPERTY MORTGAGE LIEN**

This LIEN evidences a Neighborhood Stabilization Program (NSP) or Neighborhood Purchase Rehab Resale Program (NPRR) repayable loan made by the Mortgagee for the exclusive purpose of assisting the Mortgagor(s) with Gap Financing for the property as described below.

THIS INDENTURE, made this \_\_\_\_ day of \_\_\_\_\_, 2024

WITNESSETH \_\_\_\_\_, a \_\_\_\_\_, whose address is \_\_\_\_\_, hereinafter referred to as the Mortgagor, hereby mortgages and warrants to Genesee County, 1101 Beach St., Room 111, Flint, MI 48502, hereinafter referred to as Mortgagee, the following described lands and premises situated in the \_\_\_\_\_, County of Genesee and State of Michigan, viz:

Tax Parcel No: \_\_\_\_\_

Legal description: \_\_\_\_\_

Commonly known as: \_\_\_\_\_

together with all tenements, hereditaments, and appurtenances now and hereinafter thereunto belonging to secure the repayment of:

\_\_\_\_\_ dollars and \_\_\_\_\_ cents (\$\_\_\_\_\_.),

interest of zero percent (0%) per annum, payable according to the terms of a promissory note of even date hereof; and the Mortgagor further covenants:

- (1) Per Genesee County Metropolitan Planning Commission NSP and NPRR Program Resale Provisions,
  - (a) The amount funded under the mortgage and note will be forgiven at the end of fifteen years provided the Mortgagor (homebuyer) has owned and occupied the house throughout the fifteen-year period. The amount of funds to be forgiven will be based on the following:  
  
First five years.....0% forgiven  
Sixth Year through fifteenth year.....10% forgiven on an annual basis
  - (b) The loan will be recaptured if the Mortgagor sells the home within the fifteen-years of affordability period. The down payment, principal payments and capital improvements made by the Mortgagor (homebuyer) since purchase will be calculated. The amount of funds to be recaptured will be based on the following:
    - (i) If the sum of these investments plus the amount due the Mortgagee, equals or is less than the net proceeds of sale, then the homebuyer would be allowed to recover his or her investment in the property first, with full remainder being paid to the Mortgagee.
    - (ii) If the sum of these investments plus the amount due the Mortgagee, exceeds the net proceeds of sale, then the homebuyer would be allowed to recover his or her investment in the property first. If there are funds remaining to be paid back to the mortgagee after payment of the first mortgage, the remainder will be paid back to the Mortgagee. The amount would be considered payment in full.
    - (iii) If the sum of these investments plus the amount due the Mortgagee, exceeds the net proceeds of sale, then the homebuyer would be allowed to recover his or her investment in the property first. If there are no funds remaining to be paid back to the Mortgagee after payment of the first mortgage, such an amount would be considered payment in full.
- (2) In cases where the Mortgagor (homebuyer) violates the terms and conditions of the mortgage and/or note, (e.g. uses the property for rental purposes or the property is no longer the mortgagor(s) principal residence) the entire amount of NSP or NPRR financial assistance shall be due. Mortgagee reserves the right to require full repayment of the amount of NSP or NPRR assistance.
- (3) Mortgagee acknowledges that there is a lien prior to this Property Lien. If Mortgagor (homebuyer) refinances, the Mortgagor may do so if the refinance is for reducing the mortgage payments and not for consolidation of credit card obligations, bills or for obtaining property home equity. If this

This Lien is junior to the mortgage liens of \_\_\_\_\_

SIGNED AND DELIVERED by the Mortgagor to Mortgagee on the day and year first above written.

MORTGAGOR: \_\_\_\_\_

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**Genesee County Neighborhood Stabilization Program (NSP)  
& Neighborhood Purchase Rehab Resale Program (NPRR)  
Lender Checklist**

**Information to be submitted by Lender to Verify Borrower's Eligibility:**

- Purchase Agreement
- Homebuyer Counseling Certificate (verification of 8 hours of homebuyer counseling)
- Verification of employment
- Two months current check stubs
- Appraisal
- Loan Estimate
- Last two years of W-2 tax information
- Loan Application
- Bank/Lender Approval letter
- Request Form (showing amount of funding being requested)
- Genesee County NSP or NPRR Application

The aforementioned documentation must accompany your funding request in order for your file to be reviewed by our office.

**GENESEE COUNTY NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
And NEIGHBORHOOD PURCHASE REHAB RESALE (NPRR)  
DOWN PAYMENT ASSISTANCE**

**REQUEST FOR FUNDING**

Name of Financial Institution: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Name of Homebuyer: \_\_\_\_\_  
Property Address: \_\_\_\_\_  
\_\_\_\_\_

PAYMENT REQUEST	
Total Required Closing Costs/Pre-Paid:	_____
Amount of Closing Costs/Pre-Paid Requested:	_____
 Total Required Down Payment:	 _____
Amount of Down Payment Requested:	_____
 Total Gap Financing Requested:	 _____
 Total Amount Requested:	 \$ _____

Lender must supply a copy of the following information as an attachment to the payment request:

- \* Closing papers (final to be sent with lien & Promissory Note)
- \* Lien & Promissory Note (to be submitted within 10 days of closing)

Prepared By: \_\_\_\_\_  
Date: \_\_\_\_\_

Staff Approved: \_\_\_\_\_  
Date: \_\_\_\_\_



ACKNOWLEDGEMENT

SUBORDINATION POLICY  
Genesee County  
Neighborhood Stabilization Program (NSP)  
& Neighborhood Purchase Rehab Resale Program (NPRR)

The Genesee County Metropolitan Planning Commission, Community Development Program, acting in accordance with policies established by the Genesee County Board of Commissioners, is prohibited from subordinating its lien on a property assisted with Genesee County Neighborhood Stabilization Program or Neighborhood Rehab and Resale Program funding, when that subordination will result in a situation where the total debt attached to the property exceeds 80% of that property’s appraised value.

I fully understand and abide by all the provisions of this policy and acknowledge that these stated requirements were fully explained to me by the mortgage processor at the appointed time of closing.

Homebuyer Signature: \_\_\_\_\_

Mortgage Processor Signature:\_\_\_\_\_

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

## Attachment B

In the event that the County is asked to take an action on the disposition of a Neighborhood Stabilization Program or Neighborhood Purchase Rehab Resale Program lien for any reason other than the original agreement, then the following shall be delivered to the Genesee County Community Development Office:

**A written request from the Mortgagor (Homebuyer), including an explanation why the action requested is both necessary and reasonable.**

Documentation supporting the request must include:

- \*A current title search (with taxes)
- \*A current formal property appraisal
- \*A summary statement of all outstanding indebtedness against the property
- \*A copy of the subject purchase agreement, loan application, or mortgage commitment.

**NOTE:        The total proposed indebtedness, including the mortgage/lien held by Genesee County, cannot exceed 80% of the appraised value. Cash out is not allowed. Genesee County will not subordinate in reverse mortgage transactions.**

Upon receipt of the above, a recommendation and request for action will be presented to the Director-Coordinator of the Genesee County Metropolitan Planning Commission. Please allow two weeks for processing.

**If approved, there will be a \$50.00 processing fee to be paid upon pick up of the subordination document.**

Should you have any questions regarding this memorandum, please contact Ms. Sheila Taylor at (810) 257-3010.

## EXHIBIT D

Exhibit D contains the following information:

Income Chart (as example only, income limits may change)  
Maximum Purchase Price Limits

FY 2024 MEDIAN FAMILY INCOME FOR FLINT AND GENESEE COUNTY -- \$78,300

MAXIMUM INCOME LIMITS

Household Size	30% Extremely Low Income	50% Very Low Income	60% Low Income	80% Moderate Income
One Person	\$16,750	\$27,900	\$33,480	\$44,600
Two Person	\$20,440	\$31,850	\$38,220	\$51,000
Three Person	\$25,820	\$35,850	\$43,020	\$57,350
Four Person	\$31,200	\$39,800	\$47,760	\$63,700
Five Person	\$36,580	\$43,000	\$51,600	\$68,800
Six Person	\$41,960	\$46,200	\$55,440	\$73,900
Seven Person	\$47,340	\$49,400	\$59,280	\$79,000
Eight Person	\$52,550	\$52,550	\$63,060	\$84,100

Released by HUD 5.01.24

FHA Mortgage Limits - Genesee County, Michigan

The following table is an Example of Current FHA Mortgage Limits for Genesee County, Michigan and is provided only as an example. Mortgage limits are constantly updated. Please refer to HUD's website for current FHA Mortgage Limits.

MSA Name	County Name	State	One-Family	Two-Family	Three-Family	Four-Family	Median Sale Price	Last Revised	Limit Year
FLINT, MI	GENESEE	MI	\$498,257	\$637,950	\$771,125	\$958,350	\$155,000	01/01/2024	CY2024