

LEVY COUNTY
DEFERRED PAYMENT LOAN AGREEMENT

THIS AGREEMENT, MADE THIS _____ DAY OF _____, 2020, BY Walker G. Emrick, hereinafter referred to as "Owner", and Levy County, a political subdivision of the State of Florida, hereinafter referred to as "County", pursuant to County's Down Payment/Closing Cost and Rehabilitation Assistance Program, hereinafter referred to as "DCCRAP", relates to the real property lying in the County of Levy, Florida, described as follows (herein "the property"):

Lot 9, Block 2, McKinnon's Addition to the Town of Williston, Florida, according to the Plat thereof recorded in Plat Book 1, Page(s) of the Public Records of Levy County, Florida.

WITNESSETH:

WHEREAS, County has set-aside housing assistance funds under its DCCRAP which was prepared for County's participation in the State Housing Initiative Partnership (herein "SHIP") Program, in compliance with Part VI, Chapter 420, Florida Statutes, and Chapter 67-37, Florida Administrative Code; and

WHEREAS, Owner proposes to finance either a portion of down payment or closing cost payments associated with the purchase of the above-described property, or both, with the proceeds of a Deferred Payment Loan made pursuant to this Agreement and made available under said DCCRAP (herein "DPL");

NOW, THEREFORE, in consideration of the covenants contained herein, it is agreed:

1. The principal amount of the DPL is Twenty five thousand Dollars (\$25,000.00). County will provide the principal amount of the DPL to the seller at the closing of the purchase of the property. The DPL funds will not be provided directly to the Owner.
2. There will be no interest due on the DPL, except as otherwise provided in this Agreement.
3. County will require repayment of the principal amount of the DPL if Owner fails to abide by any of the following provisions of this Agreement:
 - a. Owner must continue to own the property and not transfer any of Owner's interest in the property for a minimum of ten (10) years from the date of execution of this Agreement by all parties to this Agreement (hereinafter "the Effective Date").
 - b. Owner must occupy, establish and use the property as Owner's principal residence and continue to occupy said property for ten (10) years after the Effective Date.

- c. Owner must maintain the residence in conformance with all local building or zoning ordinances and regulations, and other applicable ordinances or codes for ten (10) years beginning with the Effective Date.
- d. If a foreclosure action is instituted against the property, or the First Mortgage (as defined herein) is satisfied or refinanced, or if the property is leased or rented.

4. County agrees to forgive the DPL after ten (10) years from the Effective Date; provided that all of the following requirements have been met: (a) the home located on the property remains occupied by Owner for such ten (10) year period; (b) Owner has continued to own the property and no interest in the property of Owner has been transferred during such ten (10) year period; and (c) Owner honors all requirements of this Agreement, of any promissory note provided by Owner to County in connection with the DPL, the principal amount of the DPL, or with the property (the "Note"), and of any mortgage entered into by Owner for the benefit of County that uses the property as security for the DPL or for any such promissory note (the "Mortgage").

5. If Owner violates this Agreement by selling the property or by the transferring of any of Owner's interest in the property by whatever means, prior to the expiration of the ten (10) year period provided in this Agreement, then the DPL principal amount shall be recaptured and the entire principal of the DPL shall be due within thirty (30) days of the date of the sale of the property by Owner, or within thirty (30) days of the date of transfer of any of Owner's interest in the property, whichever is applicable, and such amount shall be returned to County within such thirty (30) days. If Owner fails to occupy the home located on the property as Owner's primary residence prior to the expiration of the ten (10) year period provided in this Agreement, the entire DPL principal amount shall be due within thirty (30) days from the date that Owner fails to occupy the home located on the property as Owner's primary residence.

6. A portion of the principal amount of the DPL shall be forgiven in cases where the loan-to-value ratio exceeds 100% and the property must be sold to a catastrophic event (i.e. Owner's death or divorce, or extended illness of the Owner or close family member who depends primarily on the Owner for support, etc.).

7. In the event of the death of Owner (in the case of more than one person constituting Owner, then in the event of the death of all such persons), the obligations for payment of any sums hereunder, or under the Note or the Mortgage, will be forgiven.

8. In the event that Owner is cited for violation of any local building or zoning ordinance or regulation, or other ordinance or code, County will notify Owner to correct such violation(s) within thirty (30) days. If Owner does not correct such violation(s) within the time period stated, County will notify Owner by certified mail of its intent to exercise its rights under this paragraph. Upon delivery or attempted delivery of such notice to Owner, Owner shall be required to pay County 1/120th of the principal amount of the DPL each month until said violation(s) are corrected. If Owner continues to fail to correct such violation(s) within a reasonable amount of time, not to exceed one hundred twenty (120) days, the entire principal

amount of the DPL will be due and payable immediately upon the expiration of such one hundred twenty (120) days.

9. The entire principal amount of the DPL will be due and payable immediately if Owner is found to have given materially false or inaccurate information or statements to County (or failed to provide County with any material information) in connection with the DPL or the DPL application, including, but not limited to, representations concerning (i) Owner's occupancy of the property as a principal residence or (ii) Owner's household income. The DPL application submitted by Owner is hereby incorporated by reference in its entirety.

10. This Agreement shall constitute a lien on the property in the amount stated in paragraph 1 above. Said lien shall be satisfied in full when Owner has complied with the provisions of paragraph 4 of this Agreement or when Owner has paid to County the total principal amount of the DPL.

9. If Owner violates any of the provisions of this Agreement but is unable to pay the total amount due when due, County may allow repayment of the amount due over a term not to exceed ten (10) years, at a yield of four percent (4%) interest per annum, calculated from the date the amount became due. Additional collateral may be substituted for the property or a notice of lien may extend the lien currently on the property.

10. If any of the provisions set forth in this Agreement are violated, and the lien created by such violation are in default for a period of thirty (30) days, County may enforce the lien by a suit in equity according to the provisions of the Florida Statutes or other applicable law and Owner shall be responsible for all costs incurred in such proceedings or in any proceedings Owner may pursue to enforce its rights under the terms of this Agreement, including reasonable attorney's fees. Failure of County to exercise any option or right provided under this Agreement, or at law or in equity, shall not constitute a waiver of such option on any subsequent occasions.

11. In addition to this DPL, Owner has obtained a mortgage loan (the "First Mortgage Loan") from Capital City Home Loans, the ("Senior Lien holder"), which loan is secured by a first mortgage lien (the "First Mortgage") on the property. County acknowledges and agrees that this Agreement, and the lien created hereby, is subject and subordinate in all respects to the liens, terms, covenants, and conditions of the First Mortgage Loan, and to all advances heretofore made, or which may hereafter be made, pursuant to the First Mortgage Loan, including all sums advanced for the purpose of (a) protecting or further securing the lien of the First Mortgage Loan or for any other purpose expressly permitted by the First Mortgage, or (b) constructing, renovating, repairing, furnishing, fixing or equipping the mortgaged premises. The terms and provisions of the First Mortgage are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith.

In the event of a foreclosure of the First Mortgage any provisions herein or any provisions of any other collateral agreement restricting the Owner's ability to sell the property shall have no further force or effect. The lien of this Agreement shall automatically terminate upon the Senior Lien holder's acquisition of title through a foreclosure of the First Mortgage.

12. Owner shall keep any improvements to the property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Senior Lien holder requires insurance. This insurance shall be maintained for the full replacement value of such improvements and shall be kept in force during the ten (10) year term beginning on the Effective Date.

13. If Owner fails to perform the covenants and agreements contained in the Note, the Mortgage, or this Agreement, or if any action or proceeding is commenced which materially affects County's interest in the property, including, but not limited to, eminent domain, insolvency, code enforcement, delinquent taxes, lack of or inadequate insurance, or arrangements or proceedings involving a bankrupt or decedent, then County, at County's option and upon notice to Owner, may make such appearances, disburse such sums, and take such action as is necessary to protect County's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the property to make repairs. If County required mortgage insurance as a condition of making the Mortgage, Owner shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Owner's and County's written agreement or applicable law.

Any amounts disbursed by County pursuant to this paragraph shall become additional indebtedness of Owner secured by the Mortgage. Unless Owner and County agree to other terms of payment, such amounts shall be payable upon notice from County to Owner requesting payment thereof. Nothing contained in this paragraph shall require County to incur any expense or take any action hereunder.

- Signatures on Following Page -

BY SIGNING BELOW, Owner and County accept and agree to the terms and covenants contained in this Deferred Payment Loan Agreement.

OWNER:

Walker G. Emrick
Walker G. Emrick

Mary Galaviz
Witness Print Name: Mary Galaviz

Sarah Wolfe
Witness Print Name: Sarah Wolfe

STATE OF FLORIDA
COUNTY OF ALACHUA

Before me, the undersigned authority, this 16th day of September, 2020, personally appeared Walker G. Emrick who acknowledges before me, by means of physical presence, that he freely and voluntarily executed this Agreement for the purposes therein expressed.

Sarah Wolfe
Signature of Notary Public

Personally known or Produced I.D.
Type of identification produced _____



COUNTY:

Attest:

BOARD OF COUNTY COMMISSIONERS
OF LEVY COUNTY, FLORIDA

Danny J. Shipp, Clerk of Court

Matt Brooks, Chairman

Approved as to form and legal sufficiency:

Anne Bast Brown
Anne Bast Brown, County Attorney