LEVY COUNTY SHIP
DEFERRED PAYMENT LOAN AGREEMENT

THIS DEFERRED PAYMENT LOAN AGREEMENT (this "Agreement") is made this day of July, 2026 (the "Effective Date"), by and between Tyler Hill and Mackenzie Hill, of 12151 NE 29th Avenue, Trenton, FL 32693, 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 (the "Assistance Program"), and relates to the real property lying in Levy County, Florida, described as follows (the "Property"):

Lot 120, Silver Oaks Phase II, according to the Plat thereof Recorded in Plat Book 9, Page 39, Public Records of Levy County, Florida.

WITNESSETH:

WHEREAS, County has set aside housing assistance funds pursuant to County's participation in the State Housing Initiative Partnership ("SHIP") Program, in compliance with Part VI, Chapter 420, Florida Statutes, and Chapter 67-37, Florida Administrative Code; and

WHEREAS, Owner proposes to finance a portion of the down payment, the closing costs, or both, associated with the purchase of the Property using proceeds of a Deferred Payment Loan (the "DPL") made pursuant to this Agreement.

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

1. **Loan Amount**. The principal amount of the DPL is THIRTY THOUSANDS AND NO/100s Dollars ($30,000.00). County shall provide the principal amount of the DPL to the Closing Agent at the closing of the purchase of the Property. The DPL funds will not be provided directly to the Owner.

2. **Interest**. There will be no interest due on the DPL, except as otherwise expressly provided in this Agreement.

3. **Repayment Events**. County will require Owner's repayment of the principal amount of the DPL in the event Owner fails to abide by any of the following provisions:

   a. Owner must continue to own the Property and shall not sell, convey, assign, encumber, or otherwise transfer any of Owner's interest in the Property for ten (10) years from the Effective Date.

b. Owner must occupy, establish and use the Property as Owner's principal residence for ten (10) years after the Effective Date.

c. Owner must maintain the residence in conformance with all local building and zoning ordinances and regulations, and other applicable ordinances or codes for ten (10) years after the Effective Date.

d. If a foreclosure action is instituted against the Property, or the First Mortgage (as defined below) is satisfied or refinanced, or if the Property is leased or rented, then the outstanding principal balance of the DPL shall become immediately due and payable, except as otherwise expressly provided in this Agreement.

4. **Forgiveness**. County agrees to forgive the DPL only upon the satisfaction of all requirements set forth herein. The DPL shall be forgiven at a prorated rate of twenty percent (20%) per year commencing at the end of the sixth (6^{th}) year following the Effective Date and continuing through the tenth (10^{th}) year, 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 continuously owned the Property and no interest in the Property has been transferred during such ten (10) year period; and

c. Owner has not violated this Agreement, any promissory note provided to County (the "Note"), or any mortgage entered into by Owner in favor of County securing the DPL (the "Mortgage").

No forgiveness shall occur prior to the end of the sixth (6^{th}) year following the Effective Date.

5. **Early Transfer or Non-Occupancy**. If Owner violates this Agreement by failing to occupy the home on the Property, by selling the Property, or by the transferring of any of Owner's interest in the Property by any means prior to the expiration of the ten (10) year period provided in this Agreement, then the outstanding principal of the DPL shall be due to the County within thirty (30) days of the earlier of: (i) the date of sale or transfer, or (ii) the date Owner ceases occupancy of the Property.

6. **Hardship Sale**. In County's sole discretion, a portion of the principal amount of the DPL may be forgiven if: (a) the loan-to-value ratio of the Property exceeds one hundred percent (100%); and (b) the Property must be sold due to an unforeseen hardship event, including but not limited to Owner's death, divorce, or extended illness of Owner or a close family member who depends primarily on Owner for support. Any such forgiveness must be approved in writing by County and shall not be deemed automatic or required.

7. **Death of Owner**. In the event of the death of Owner (or, if more than one person constitutes Owner, the death of all such persons), any remaining obligations for payment of any sums under this Agreement, the Note, or the Mortgage shall be forgiven.

8. **Code Violations**. If Owner is cited for violation of any local building or zoning ordinance or regulation, or other applicable ordinance or code, County shall notify Owner and allow Owner thirty (30) days to correct such violation(s). If Owner fails to timely correct such violation(s), County shall notify Owner by certified mail of its intent to exercise its rights under this paragraph. Upon delivery or attempted delivery of such notice, Owner shall be required to pay County one-one hundred twentieth (1/120th) of the principal amount of the DPL each month until the violation(s) are corrected. If the violation(s) are not corrected within a reasonable time, not to exceed one hundred twenty (120) days, County may, at its option, declare the entire outstanding principal balance immediately due and payable.

9. **False Information**. The entire principal amount of the DPL shall become immediately due and payable if Owner is found to have provided materially false or inaccurate information or statements, or failed to disclose material information to County 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.

10. **Lien**. This Agreement shall constitute a lien on the Property in the amount stated in Section 1 above. Said lien shall be satisfied in full upon either (a) forgiveness pursuant to Paragraph 4, or (b) payment in full of the principal amount of the DPL. If Owner violates any of the provisions of this Agreement and is unable to pay the total amount due when due, County may, in its sole discretion, allow repayment of the amount due over a term not to exceed ten (10) years at an interest rate of four percent (4%) per annum, calculated from the date the amount became due. County may require additional collateral or extend the lien by recording a notice of lien.

11. **Enforcement**. If Owner fails to comply with any provision of this Agreement and such failure continues for thirty (30) days after written notice from County, County may enforce its rights and remedies under this Agreement, the Note, the Mortgage, or applicable law, including foreclosure. Owner shall be responsible for all costs incurred by County in enforcing its rights, including reasonable attorneys' fees incurred at trial and on appeal. County's failure to exercise any right shall not constitute a waiver of such right.

12. **Subordination**. In addition to this DPL, Owner has obtained a mortgage loan (the "First Mortgage Loan") from United Wholesale Mortgage **; Loan#:** 1226178007 (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.

13. **Insurance**. 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. County shall be named as an additional insured or loss payee to the extent permitted by the First Mortgage.

14. **Protection of County's Interest**. 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 attorneys' 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 Section 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 Section shall require County to incur any expense or take any action hereunder.

[Signature Pages Follow]

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

_________________________________ ___________________________________

Owner Print Name: ____________________ Witness Print Name: ____________________

_________________________________ ___________________________________

Owner Print Name: ____________________ Witness Print Name: ____________________

STATE OF FLORIDA
COUNTY OF LEVY

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ___ day of ____________, _____,

by _______________ as ________________ for ____________________________.

____

Signature of Notary Public – State of Florida

____

Print, type, or Stamp Commissioned Name of Notary Public

Personally Known OR Produced Identification

Type of Identification Produced: ____________________________

ATTEST: Clerk of the Circuit Court and Ex-officio Clerk to the Board of County Commissioners

BOARD OF COUNTY COMMISSIONERS OF LEVY COUNTY, FLORIDA

____

Matt Brooks, Clerk

____

Tim Hodge, Chairman