

PREPARED BY AND RETURN TO:

Jennifer Cockcroft
Assistant City Attorney
City of Kissimmee
101 N. Church Street
Kissimmee, FL 34741-5054
Phone: (407) 518-2312

**NEIGHBORHOOD STABILIZATION PROGRAM
MORTGAGE DEED
City of Kissimmee, Florida**

DEFINITIONS

Words used in multiple sections of this Mortgage document are defined below.

(A) **“Security Instrument”** means this Mortgage document, which is dated [redacted], 2010, together with all exhibits and/or attachments made a part of this Mortgage and listed hereunder, Exhibit A - Legal Description
Exhibit B – Mortgage Note in the Amount of [redacted]

} _____
Borrower/Mortgagor
Initials

(B) **“Borrower”** is [redacted], A Single Woman. Borrower is also the Mortgagor under this Security Instrument.

(C) **“First Mortgage Note”** is the valid purchase money first mortgage approved by Mortgagee.

(D) **“Lender”** is, City of Kissimmee, a municipal corporation of the State of Florida (hereinafter referred to as “City”). Lender’s address is 101 N. Church Street; Kissimmee, Florida 34741-5054, or at such a place as may hereafter be designated by written notice from the Mortgagee to the Mortgagor hereof. Lender is the Mortgagee under this Security Instrument. Whenever used herein the terms **“Mortgagor”** and **“City Mortgagee”** include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of political subdivisions or corporations.

(E) **“Note”** means the promissory note signed by Borrower and dated [redacted], 2010. The Note states that for value received, the Borrower promises to pay Lender, in a manner hereinafter specified, the sum of (U.S. [redacted]) [redacted] Dollars, plus interest if required as hereinafter specified. The term “Note” includes all the notes hereinafter described if more than one.

(F) **“Property”** means the property that is described below under the heading “Transfer of Rights in the Property.”

(G) **“Loan”** means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument.

(H) **“Applicable Law”** means all controlling applicable federal, state and local laws, regulations, ordinances and administrative rules and orders (*that have the effect of law*) as well as all applicable final, non-appealable judicial opinions.

THIS MORTGAGE IS GIVEN TO
CITY OF KISSIMMEE AND IS EXEMPT
FROM PAYMENT OF INTANGIBLE
PERSONAL PROPERTY TAX AND
DOCUMENTARY STAMP EXCISE TAX PURSUANT
TO SECTIONS 420.513(1) AND 199.185(1)(d)

(I) **“Mortgage Insurance”** means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(J) **“Successor in Interest of Borrower”** means any party that has taken title to the Property, whether or not that party has assumed Borrower’s obligations under the Note and/or this Security Instrument.

(K) **“Default”** is defined in the Mortgage Note under the default section, which indicates those actions that constitute default for the purposes of this Mortgage.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower’s covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the property, as described in **Exhibit A - Legal Description**, which is situated in Osceola County, Florida.

SEE EXHIBIT “A” ATTACHED HERETO AND MADE A PART HEREOF

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. This Security Instrument shall also cover all replacements and additions. All of the foregoing is referred to in this Security Instrument as the “Property.”

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. The Mortgagor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free and clear of all encumbrances except: *Valid first and second mortgages approved by Mortgagee.*

AND the Mortgagor covenants with the Mortgagee that the Mortgagor is indefeasibly seized of said land in fee simple; that the Mortgagor has good right and lawful authority to convey said land as aforesaid; that the Mortgagor will make such further assurances to perfect the fee simple title to said land in the Mortgagee as may reasonably be required; that the Mortgagor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free and clear of all encumbrances except: *Valid first and second mortgages approved by Mortgagee.*

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

TO HAVE AND TO HOLD THE SAME, together with the tenements, hereditaments and appurtenances thereto belonging, and the rents, issues and profits thereof, unto the Mortgagee, in fee simple.

ANY DEFAULT in any mortgage note, or lien of record, including, but not limited to, the NSP Mortgage Note, the First Mortgage, and the Second Mortgage approved herein, shall constitute a default under this instrument. The institution of a mortgage or lien foreclosure legal proceeding shall be considered one basis, but not the sole or limiting basis, for authorizing the Mortgagee to declare a default.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST. Mortgagee requests the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give notice, at Mortgagee’s address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

NOTICE. Except for any notice required under applicable law to be given in another manner: (a) any notice to the Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified or registered mail, postage prepaid, addressed to the Borrower at the Property Address or at such other address as the Borrower may designate by notice to the Lender as provides herein, and (b) any notice to the Lender shall be given by certified or registered mail, postage prepaid, sent to the Lender at City of Kissimmee; ATTN: City Attorney; 101 N. Church Street; Kissimmee, Florida 34741-5054, or to such other address as may hereafter be designated by written notice from the Lender to the Borrower herein. Any notice provided for in this Mortgage shall be deemed to have been given to the Borrower or the Lender when given in the manner designated herein.

PROVIDED ALWAYS, that is said Mortgagor shall pay unto said Mortgagee the certain NSP Mortgage Note hereinafter substantially copied or identified, to-wit:

SEE EXHIBIT “B” ATTACHED HERETO AND MADE A PART HEREOF

AND the Mortgagor shall perform, comply with and abide by each of the agreements, stipulations, conditions and covenants thereof, and of this Mortgage, then this Mortgage and the estate hereby created, shall cease, determine and be null and void.

AND the Mortgagor hereby further covenants and agrees to pay promptly when due the principal and other sums of money provided for in said note and this Mortgage, or either; to pay all and singular the taxes, assessments, levies, liabilities, obligations, and encumbrances of every nature and said property to permit, commit or suffer no waste, impairment or deterioration of said land or the improvement thereon at any time; to pay all costs, charges, and expenses, including lawyer’s fees and title searches, reasonably incurred or paid by the Mortgagee because of the failure of the Mortgagor to promptly and fully comply with agreements, stipulations, conditions and covenants of said note and this Mortgage, or either; to perform, comply with and abide by each and every of the agreements, stipulations, conditions

Borrower’s Initials _____ Date _____

and covenants set forth in said note and this Mortgage, or either. In the event the Mortgagor fails to pay when due any tax, assessment, insurance premium or other sum of money payable by virtue of said note and this Mortgage, or either the Mortgagee may pay the same, without waiving or affecting the option to foreclose or any other right hereunder, and all such payments shall bear interest from the date thereof at the highest lawful rate then allowed by the laws of the State of Florida.

This Mortgage Deed, which secures the payment of that certain City Mortgage Note made by Mortgagor to Mortgagee dated the same date as this Mortgage Deed is expressly made subject and subordinate to the terms and conditions specified in that certain Promissory Note having an original principal face amount of _____ and 00/100 Dollars (U.S. \$ _____), dated _____, 2010 made by Mortgagor payable to _____ (hereinafter referred to as "First Mortgage Note") and secured by that certain Mortgage from Mortgagor to _____, dated _____, 2010 recorded in Book _____, Page _____, in the public records of Osceola County, Florida (hereinafter referred to as "First Mortgage").

If each and every one of the agreements, stipulations, conditons and covenants of said note and this Mortgage are not fully performed, complied with and abided by, then the entire sum mentioned in said note, and this Mortgage, or the entire balance unpaid thereon, shall forthwith or thereafter, at the option of the Mortgagee, become and be due and payable, anything in said note or herein to the contrary notwithstanding. Failure by the Mortgagee to exercise any of the rights or options herein provided shall not constitute a waiver of any rights or options under said note or this Mortgage accrued or thereafter accruing.

Borrower's Initials _____ Date _____

IN WITNESS WHEREOF, the said Maker has hereunto signed and sealed these presents the day and year first above written.

**Signed, sealed and delivered
in the presence of:**

MORTGAGOR:

Signature

Signature

Print or Type Name

Print or Type Name

Signature

Address: _____

Print or Type Name

**STATE OF FLORIDA
COUNTY OF OSCEOLA**

I HEREBY CERTIFY that on this _____ day of _____, 2010, before me an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared _____, who executed the foregoing instrument and who acknowledge before me that he/she/they executed the same and he/she are personally known to me or who have produced _____ as identification and who did/did not take an oath.

WITNESS my hand and official seal in the County and State last aforesaid

NOTARY
Print Name: _____
My Commission Expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION

Lot 158, Remington Pointe Phase 4, according to the plat thereof, recorded in Plat Book 10, Pages 8 and 9, as affected by Surveyor's Affidavit recorded in Official Records Book 1454, Page 1769, in the Public Records of Osceola County, Florida

EXHIBIT "B"

PREPARED BY AND RETURN TO:

Jennifer Cockcroft
Assistant City Attorney
City of Kissimmee
101 N. Church Street
Kissimmee, FL 34741-5054
Phone: (407) 518-2312

**NEIGHBORHOOD STABILIZATION PROGRAM
MORTGAGE NOTE ;
City of Kissimmee, Florida**

THIS MORTGAGE NOTE ("Security Agreement") is made on this day of _____, 2010. The grantor is _____, A Single Woman (hereinafter referred to as "Borrower/Mortgagor") whose address is _____ . This Security Instrument is given to City of Kissimmee (hereinafter referred to as "City"), a municipal corporation of the State of Florida. Lender's address is 101 N. Church Street; Kissimmee, Florida 34741-5054, or at such a place as may hereafter be designated by written notice from the City (hereinafter referred to as "Lender") to the Borrower/Mortgagor hereof. Borrower owes Lender the principal sum of (U.S. _____) Dollars . This debt is evidenced by the Borrower's note (hereinafter referred to as "Note") dated the same date as this Security Instrument.

This Note and Mortgage securing same shall be for a period of **10 years** ("Affordability Period"), beginning on the date of execution of this Note and the accompanying Mortgage. Repayment of this Note shall take place in the following manner:

- A. If a default occurs, the Mortgage Note shall be due and payable in full. Payment in full shall be made within thirty (30) days of the declaration of default.
- B. This debt shall be permanently forgiven **10 years** after the date of the execution of this Note or in the case of a single maker upon the death of said maker (or in the case of joint makers upon the death of all makers), whichever comes earlier, as long as the maker is not otherwise in default. The purpose of this provision is to ensure that the subject home and property are owner-occupied for a period of at least **10 years**.
- C. Qualification of Purchasers: The property and housing unit must be sold to and occupied by an Eligible Person or Eligible Household [i.e., **Low Income** Homebuyer whose income does not exceed eighty percent (**80%**) of the Orlando Metropolitan Statistical Area's ("MSA") Median Income as determined by HUD].. The sales price of the property must be "affordable" to the purchaser as stated in Deed Restriction and Land Use and Restriction Agreement (**Exhibit "C"**). If the owner sells or transfers ownership of the property to an Eligible Person or Eligible Household as per the terms in this SECURITY

Borrower's Initials _____ Date _____

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AGREEMENT.

- D. Recapture restrictions are required the property remain for the balance of the Affordability Period. If the unit does not continue to be the principal residence of the Eligible Person or Eligible Household for the duration of the Affordability Period as set forth in this SECURITY AGREEMENT and the DECLARATION OF COVENANTS AND RESTRICTIONS, then it must be made available for subsequent purchase only to a Homebuyer whose household income also does not exceed Low Income, and will occupy the unit as its principal residence. All of these resale requirements will be placed in the DECLARATION OF COVENANTS AND RESTRICTIONS which will be recorded against each unit.

Since public funds are the source of funding for this program, it is the policy of the City not to subordinate this note, except in certain refinancing circumstances. Requests for subordination must include, but is not limited to, the following information:

1. A formal loan commitment from a mortgage lender that actively participates in the issuance of mortgages.
2. Terms and conditions of the proposed mortgage including a “Good Faith Estimate” of the closing costs for the proposed loan.
3. A letter from the principal requesting subordination and justification for the request
4. Any additional documentation that is determined to be necessary by the City

The information provided will be reviewed to determine approval/denial of the request based on the impact of refinancing on the principal’s future affordability. The decision shall rest in the sole discretion of the City based upon the City evaluation of the documents.

Under no circumstances shall the City be under any obligation to subordinate.

Subordination. Lender and Borrower acknowledge and agree that this Security Instrument is subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Mortgage and Second Mortgage and to all advances heretofore made or which may hereafter be made pursuant to the First Mortgage and Second Mortgage including all sums advanced for the purpose of:

- (a) protecting or further securing the lien of the First Mortgage and Second Mortgage, curing defaults by the Borrower under the First Mortgage and Second Mortgage, or for any other purpose expressly permitted by the First Mortgage and Second Mortgage, or
- (b) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. However, if the Property undergoes a refinancing, the Mortgagee reserves the right to review any information relative to the new loan and determine whether the Mortgagee’s lien position remains secure. The terms and provisions of the First Mortgage and Second Mortgage are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. For purposes of this program, the Mortgagee, in its sole discretion may choose to take a further subordinated lien position other than what

is contemplated under this paragraph herein if current liens on said Property existed prior to mortgaging the Property under this program. In the event of a foreclosure or deed in lieu of foreclosure of the First Mortgage and Second Mortgage, any provisions herein or any provisions in any other collateral agreement restricting the use of the Property to households whose income does not exceed one-hundred and twenty percent (120%) of MSA or otherwise restricting the Borrower's ability to sell the Property shall have no further force or effect on subsequent owners or purchasers of the Property. Any person, including his successors or assigns (other than the Borrower or a related entity of the Borrower), receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the First Mortgage and Second Mortgage shall receive title to the Property free and clear from such restrictions. Further, if the Senior Lien Holders acquire title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Security Instrument shall terminate at the discretion of the Lender upon the Senior Lien Holders' acquisition of title, such termination will not be unreasonably withheld provided that

- (i.) the Lender has been given written notice of a default under the First Mortgage and Second Mortgage,
- (ii.) the Lender shall not have cured the default under the First Mortgage and Second Mortgage within the thirty (30) day period provided in such notice sent to the Lender, and
- (iii.) there is not sufficient equity in the Property to satisfy the senior lien (assuming reasonable costs) and the lien of this NSP Mortgage.

This Note incorporates, and is incorporated into, the Mortgage Deed of even date on the following described property:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

DEFAULT. The Maker of this Note or its successors shall be in default under any one or more of the following conditions:

1. The sale or any transfer of interest in subject home and real property, within **10 years** of the execution of this Note, by maker or maker's successors. The sale or transfer of interest must be made to eligible homebuyers as per the "Declaration of Covenants and Restrictions" (**Exhibit "C"**).
2. Leasing or renting of the property within **10 years** of the date of execution of this Note and Mortgage.
3. Refinancing of the property without prior consent from the City.
4. The destruction or abandonment of the home on the subject property by maker or maker's successors.
5. Failure to pay applicable property taxes on subject property and improvements.
6. Failure to maintain adequate hazard insurance on subject property and improvements.
7. Failure to comply with the terms and conditions of the accompanying Mortgage Deed of even date.
8. Failure to comply with the terms and conditions of the First Mortgage securing the

property.

CONSEQUENCE OF DEFAULT

Default under this Note will trigger an acceleration of the remaining unpaid principal balance evidenced herein and secured by an accompanying Mortgage of even date and the entire remaining unpaid principal balance will be due in full immediately upon default. The City's failure to excuse the default provision under this Note shall not constitute waiver of the right to exercise same in the event of a subsequent default.

Before the City accelerates the payment due or commences any action under the Mortgage Note, the Mortgage Deed or any other document related thereto, the City agrees to deliver a written notice of each default under either the Mortgage Note or the Mortgage Deed (hereinafter referred to as "Subordinate Loan Default") to the holder of the First Mortgage Note and the First Mortgage Deed, and the Second Mortgage Note and the Second Mortgage Deed (hereinafter referred to as "Senior Lenders") within ten (10) business days after the occurrence of the Subordinate Loan Default. The Senior Lenders shall have the right, but not the obligation, to cure any Subordinate Loan Default within thirty (30) days from the date that it receives notice of the Subordinate Loan Default. All amounts advanced or expended by the Senior Lenders to cure a Subordinate Loan Default shall be deemed to have been advanced by the Senior Lenders pursuant to, and shall be secured by the lien of the First Mortgage and Second Mortgage.

Before the City accelerates the payment due or commences any action under the Mortgage Note, the Mortgage Deed or any other document related thereto, the City must obtain the written consent of the Senior Lenders.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST.

Mortgagee requests the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice, at Mortgagee's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action. Mortgagee additionally requests the Mortgagor to provide notice to the Mortgagee of any default on any mortgage or other credit obligation, which may lead to an encumbrance on the property described in **Exhibit "A."** Said request for notice shall be given within thirty (30) days of said default.

NOTICE. Except for any notice required under applicable law to be given in another manner: (a) any notice to the Mortgagor provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail at the property's address or at such other address as Mortgagor may designate by notice to the Mortgagee as provided herein, and (b) any notice to the Lender shall be given by certified or registered mail, postage prepaid, sent to the Lender at City of Kissimmee; ATTN: City Attorney; 101 N. Church Street; Kissimmee, Florida 34741-5054, or at such a place as may hereafter be designated by written notice from the Mortgagee to the Mortgagor hereof.

MISCELLANEOUS PROVISIONS

This Mortgage Note and the Mortgage Deed securing payment of this Mortgage Note is expressly made subject and subordinate to the terms and conditions specified in that certain Promissory Note having an

original principal face amount of _____ Dollars (U.S. \$ _____), dated _____, 2010 made by borrower payable to _____ (hereinafter referred to as "First Mortgage Note").

The Maker and the City agree that a Subordinate Loan Default shall constitute a default under the First Mortgage Note, First Mortgage and any other related loan documents (hereinafter referred to as "First Mortgage Loan Documents"), or Second Mortgage Note, Second Mortgage and any other related loan documents (hereinafter referred to as "Second Mortgage Loan Documents"), and the Senior Lenders shall have the right, but not the obligation, to exercise all rights or remedies under the First Mortgage Loan Documents or Second Mortgage Loan Documents in the same manner as in the case of any other default thereunder.

The City consents to any agreement or arrangement in which the Senior Lenders waive, postpone, extend, reduce or modify any provisions of the First Mortgage Loan Documents or Second Mortgage Loan Documents including any provision requiring the repayment of money.

This Note is secured by a mortgage on real estate, of even date herewith, made by the Maker in favor of the said Holder, and shall be construed and enforced according to the laws of the State of Florida. The terms of said mortgage are by this reference made a part thereof.

Each person liable hereon whether maker or enforcer, hereby waives presentment, protest, notice, notice of protest and notice of dishonor and agrees to pay all costs, including reasonable attorney's fees, whether brought by suit or not, if, after maturity of this Note or default hereunder, or under said Mortgage, counsel shall be employed to collect this Note or to protect the security of said Mortgage.

Whenever used herein the term "Holder", "Maker" or "Payee" should be construed in the singular or plural as the context may require or admit.

FEES & JURY TRIAL WAIVER/VENUE/LAW. Should a dispute or litigation arise under this NOTE, the parties each agree to bear their own costs and fees, including all attorneys' fees. The parties agree to waive any right to trial by jury arising under this NOTE and further agree that the law to be applied in interpretation shall be the law of the state of Florida. Any action shall be heard in the appropriate court of Osceola County.

SIGNATURE PAGE TO FOLLOW

Borrower's Initials _____ Date _____

IN WITNESS WHEREOF, the said Maker has hereunto signed and sealed these presents the day and year first above written.

**Signed, sealed and delivered
in the presence of:**

MORTGAGOR:

Signature

Signature

Print or Type Name

Print or Type Name

Signature

Address: _____

Print or Type Name

Signature

Print or Type Name

Address: _____

**STATE OF FLORIDA
COUNTY OF OSCEOLA**

I HEREBY CERTIFY that on this _____ day of _____, 2010 before me an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgements, personally appeared _____, who executed the foregoing instrument and who acknowledge before me that he/she/they executed the same and he/she are personally known to me or who have produced _____ as identification and who did/did not take an oath.

WITNESS my hand and official seal in the County and State last aforesaid.

NOTARY

Print Name: _____

My Commission Expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION

Lot 158, Remington Pointe Phase 4, according to the plat thereof, recorded in Plat Book 10, Pages 8 and 9, as affected by Surveyor's Affidavit recorded in Official Records Book 1454, Page 1769, in the Public Records of Osceola County, Florida

EXHIBIT "C"

PREPARED BY AND RETURN TO:

Jennifer Cockcroft
Assistant City Attorney
City of Kissimmee
101 N. Church Street
Kissimmee, FL 34741-5054
Phone: (407) 518-2312

**CITY OF KISSIMMEE
NEIGHBORHOOD STABILIZATION PROGRAM
DECLARATION OF COVENANTS AND RESTRICTIONS**

This **DECLARATION OF COVENANTS AND RESTRICTIONS** is made this ____ day _____, 2010, by _____, (hereinafter referred to as "**HOMEBUYER**") and the **CITY OF KISSIMMEE**, a Florida municipal corporation (hereinafter referred to as "**CITY**").

WHEREAS, the City has been designated by the Department of Housing and Urban Development (HUD) as an Eligible Municipality for the receipt and use of funds pursuant to the authority of sections 2301-2304 of the Housing and Economic Recovery Act of 2008 [(Public Law 110-289(July 30, 2008)(HERA)].

WHEREAS, the program established pursuant to section 2301-2304 is known as the "Neighborhood Stabilization Program" or "NSP".

WHEREAS, the City is the owner of the property located in City of Kissimmee, Osceola County, Florida, more particularly described in **Exhibit "A"**, a copy of which is attached hereto and incorporated herein, (hereinafter referred to as the "**PROPERTY**"); and,

WHEREAS, the Homebuyer acknowledges the Declaration of Covenants and Restrictions, and, by this document, agrees to abide by the requirements of the Declaration of Restrictive Covenants and Restrictions; and

WHEREAS, as a condition to the use of NSP funds, the Property must be maintained as affordable housing for a period of not less than **ten years**; and,

WHEREAS, the City wishes to ensure that the Property continues to be Affordable upon any subsequent changes in ownership of the Property.

Borrower's Initials _____ Date _____

NOW, THEREFORE, the Homebuyer states that said Property shall be held, transferred, encumbered, used, sold, conveyed, and occupied, subject to the covenant hereinafter set forth expressly and exclusively for the use and benefit of said Property and of each and every person or entity who now or in the future owns any portion or portions of the Property.

1. **RESTRICTION OF USE TO AFFORDABLE HOUSING.** The Property shall only be used to provide affordable housing to Homebuyers who are **Low Income** persons or households, which is a person or a household that has a total Annual Gross Income for the household that does not exceed eighty percent (80%) of the area's median income Adjusted for Family Size, who occupies the Property as their principal residence. Rental of any part of the Property or of any Unit is strictly prohibited and shall result in City declaring an immediate default. All of the restrictions herein shall be binding upon any transferees, lessees, heirs, assigns, or successors in the chain of title.

2. **RESALE OPTION.** If the Property is sold or transferred during the **10 years** Affordability Period as specified in the Amended Declaration of Covenants and Restrictions, then the new owner or purchaser must also be a Homebuyer who is **Low Income** and occupy the Property as its principal residence. The sales price of the Property must be "affordable" to the new purchaser. "Affordable" is defined as monthly mortgage payments including taxes and insurance that do not exceed 30 percent (30%) of that amount which represents the percentage of the median annual gross income for the households as indicated by HUD. However, it is not the intent to limit an individual household's ability to devote more than 30 percent (30%) of its income for housing, and housing for which a household devotes more than 30 percent (30%) of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark. The City of Kissimmee Development Services Department must approve any new purchases to ensure that these requirements

have been met. These affordability restrictions may terminate upon occurrence of any of the following termination events: (a) foreclosure or (b) transfer in lieu of foreclosure.

3. **BINDING NATURE OF COVENANTS.** This covenant shall run with the land and shall be binding on all parties and all persons claiming under them for a period of **10 years** from the date this covenant is recorded (herein referred to as the "Affordability Period") and shall terminate on _____, 20____.
4. **ENFORCEMENT OF DECLARATION OF RESTRICTIVE COVENANT.** Enforcement of the foregoing restrictive covenant shall be by proceedings at law or in equity against any person or persons violating or attempting to violate such covenant to restrain violation. Such action may be brought by the City of Kissimmee or the Department of Housing and Urban Development or its successor.
5. **FEES & JURY TRIAL WAIVER/VENUE/LAW.** Should a dispute or litigation arise under this Declaration of Covenants and Restrictions, the parties each agree to bear their own costs and fees, including all attorneys' fees. The parties agree to waive any right to trial by jury arising under this Declaration of Covenants and Restrictions and further agree that the law to be applied in interpretation shall be the law of the state of Florida. Any action shall be heard in the appropriate court of Osceola County.

IN WITNESS WHEREOF, the City and the Homebuyer have executed this Amended Declaration of Covenants and Restrictions, the day and year first above written.

Signed in the presence of two (2) Witnesses:

CITY OF KISSIMMEE

Print Name _____

By: _____

Print Name: Mark Durbin

Title: City Manager

Witness:

Print Name: _____

CORPORATE ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF OSCEOLA

THE FOREGOING INSTRUMENT was acknowledged before me this ____ day of _____, 2010, by _____, on behalf of THE CITY OF KISSIMMEE, a Florida municipal corporation. He/She [] is personally known to me or [] who has produced _____ as identification.

NOTARY PUBLIC

Print Name: _____

My Commission Expires: _____

EXHIBIT "A"

LEGAL DESCRIPTION

Lot 158, Remington Pointe Phase 4, according to the plat thereof, recorded in Plat Book 10, Pages 8 and 9, as affected by Surveyor's Affidavit recorded in Official Records Book 1454, Page 1769, in the Public Records of Osceola County, Florida.

(NOTE: SUBJECT PROPERTY LEGAL DESCRIPTION TO BE INSERTED HERE)

Borrower's Initials _____ Date _____