

EXHIBIT C

INCLUSIONARY HOUSING COVENANT

RECORDING REQUESTED PURSUANT  
TO GOVERNMENT  
CODE SECTION 27383

When Recorded Mail To:

City of Lafayette  
3675 Mt. Diablo Blvd. #210  
Lafayette, CA 94549-1968  
Attn: City Clerk

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OCCUPANCY, REFINANCING, AND RESALE RESTRICTION AGREEMENT  
WITH OPTION TO PURCHASE

Owner: \_\_\_\_\_

Address of Home: \_\_\_\_\_

Income Category of Owner: \_\_\_\_\_

Purchase Price of Home ("Owner's Base Price"):\$  
\_\_\_\_\_

Median Income on Agreement Date: \_\_\_\_\_

This Occupancy, Refinancing, and Resale Restriction Agreement with Option to Purchase (the "Agreement") is entered into as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by and between the city of Lafayette (the "City") and \_\_\_\_\_ (the "Owner").

RECITALS

A. WINFIELD DEVELOPMENT, LLC, a California limited liability company (the "Developer"), entered into an inclusionary Housing Agreement with the City dated \_\_\_\_\_, 20\_\_ for the following residential project: (the "Development"). Pursuant to the Inclusionary Housing Agreement, the Developer agreed to sell nine (9) homes in the Development to moderate income households and six (6) homes to very-low income Households at an affordable price, as determined in accordance with the Inclusionary Housing Agreement (the "Affordable Units").

B. Owner intends to purchase the property located in the City and more particularly described in Exhibit A attached hereto and incorporated herein (the "Home"), which is an Affordable Unit constructed as part of the Development. The Home has been designated by the

City and the Developer as a (moderate or very-low, to be inserted) income, and this Agreement restricts future sales of the Home to persons who qualify as (moderate or very-low, to be inserted) income households.

C. The purchase price of the Home to be paid by the Owner is set forth on page 1 of this Agreement (the "Owner's Base Price").

D. To ensure the continued affordability of the Home as an Affordable Unit, the City requires the Owner to execute this Agreement as a condition of the Owner's purchase of the Home. The Owner has agreed to execute and comply with this Agreement in consideration of the Developer's agreement to sell the Home to the Owner at an affordable price which is below the fair market value of the Home.

E. The purpose of this Agreement is to place resale controls on the Home and to require the payment of any excess proceeds of sale or excess rental proceeds to the City. This Agreement also provides the City an option to purchase the Home at a restricted price, given in consideration of the economic benefits to the Owner resulting from the purchase of the Home at a below market price under the City's Inclusionary Housing Program.

F. The Owner is receiving the following purchase money loans:

<u>Name of Lender</u>	<u>Amount</u>	<u>Date Deed of Trust Recorded</u>
1. _____	\$ _____	_____
2. _____	\$ _____	_____
3. _____	\$ _____	_____
4. _____	\$ _____	_____

All purchase money loans are, collectively, the "First Lender Loan." All lenders of purchase money loans are, collectively, the "First Lender." The First Lender Loan is secured by \_\_\_ **[number]** deeds of trust executed by the Owner in favor of the First Lender and recorded in the County of Contra Costa concurrently with this Agreement (collectively, the "First Lender Deed of Trust").

G. This Agreement shall be secured by a deed of trust on the Home (the "City Deed of Trust"). This Agreement and the Deed of Trust shall be subordinate to the lien of the First Lender Deed of Trust.

NOW, THEREFORE, in consideration of the benefits received by the Owner and the City, the Owner and the City agree, as follows:

1. DEFINITIONS AND EXHIBITS

A. The following terms are specifically defined for this Agreement and their definitions can be found in the Sections indicated below:

- (1) "Affordable Rent" - Section 3B
- (2) "Affordable Units" - Recital A
- (3) "Agreement" - first sentence of the Agreement on page 1
- (4) "City" - first sentence of the Agreement on page 1
- (5) "City Deed of Trust" - Recital G
- (6) "City Designated Purchaser" - Section 10B
- (7) "City Option" - Section 10A
- (8) "City Purchase Option Upon Default" - Section IS
- (9) "City Response Notice" - Section 8
- (10) "Developer" - Recital A
- (11) "Development" - Recital A
- (12) "Domestic Partners" - Section 6A
- (13) "Eligible Capital improvements" - Section 12A(1)
- (14) "Eligible Purchaser" Section 13B
- (15) "Excess Rental Proceeds" - Section 3B
- (16) "Excess Sales Proceeds" - Section 14
- (17) "Fair Market Value" - Section 12B
- (18) "First Lender" - Recital F. As used in this Agreement, "First Lender" includes all successors and assigns of the First Lender.
- (19) "First Lender Deed of Trust" - Recital F
- (20) "First Lender Loan" - Recital F
- (21) "Home" - Recital B
- (22) "Income Eligible Household" - Section 6B(1)
- (23) "Indexed Price" - Section 12A

- (24) "Inheriting Owner" - Section 6B(1)
- (25) "Maximum Restricted Resale Price" - Section 12
- (26) "Median Income" - Section 12A
- (27) "Owner" - first sentence of the Agreement on page 1
- (28) "Owner's Base Price - Recital C
- (29) "Owner's Notice of Intent to Transfer" - Section 7A
- (30) "Permitted Encumbrance Amount" - Section 25B
- (31) "Proposed Purchaser" - Section 13A
- (32) "Refinance Request Notice" - Section 25B
- (33) "Resolution" - Recital B
- (34) "Term" - Section 22
- (35) "Transfer" - Section 6A

B. The following Exhibits are attached to this Agreement:

- (1) Exhibit A: Legal Description of Home (Home)
- (2) Exhibit B: Form of Owner Occupancy Certification
- (3) Exhibit C: Form of Owner's Notice of Intent to Transfer
- (4) Exhibit D: Form of Owner Acknowledgement of City Response Notice
- (5) Exhibit E: INTENTIONALLY OMITTED
- (6) Exhibit F: Form of Refinance Request Notice

## 2. OWNER CERTIFICATIONS

The Owner certifies that the financial and other information previously provided in order to qualify to purchase the Home is true and correct as of the date first written above.

## 3. OWNER OCCUPANCY AND LEASING OF HOME

A. The Owner shall occupy the Home as the Owner's principal place of residence within sixty (60) days of close of escrow on the purchase of the Home by the Owner. Failure by the Owner to occupy the Home as the Owner's principal place of residence shall constitute a default under this Agreement for which the City may exercise its option to purchase pursuant to Section 18 below. The Owner shall be considered as occupying the Home if the Owner is living in the Home for at least ten (10) months out of each calendar year. The Owner shall provide an

annual written certification in the form shown in the attached Exhibit B, to the City that the Owner is occupying the Home as his or her principal place of residence.

B. The Owner shall not rent or lease the Home to another party, unless such rental or lease is first approved in writing by the City. The City shall approve the renting or leasing of the Home only if all of the following conditions are met: (1) the term of the rental or lease is not greater than twelve (12) months and cannot be extended without City approval; (2) the Owner demonstrates to the City's reasonable satisfaction that the Owner will incur substantial hardship if he or she is not permitted to rent or lease the Home to a third party; (3) the tenant meets the income limitations applicable to the Home, as certified to the City; and (4) the rent for the Home does not exceed rent determined by the City to be affordable to a household meeting the income limitations applicable to the Home (the "Affordable Rent"). Any rental or lease of the Home in violation of this Agreement is prohibited, and shall be a default under this Agreement and the City Deed of Trust. The Owner further agrees that, in the event the Owner rents or leases the Home to a third party in violation of this Section 3B, any excess rents ("Excess Rental Proceeds") paid to the Owner by the lessee over the Affordable Rent shall be due and payable to the City immediately upon receipt thereof by the Owner. Such Excess Rental Proceeds shall be considered a recourse debt of the Owner to the City, as evidenced by this Agreement, which the City may collect by legal action against the Owner, including by foreclosure under the City Deed of Trust.

4. Intentionally Omitted

5. MAINTENANCE AND INSURANCE PROCEEDS

A. The Owner shall maintain the Home, in good repair and condition, and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having jurisdiction over the Home. Owner will not commit waste with respect to the Home. Failure by the Owner to maintain the Home shall constitute a default under this Agreement for which the City may exercise the City Purchase Option Upon Default to purchase the Home pursuant to Section 18 below.

B. The Owner shall maintain a standard all risk property insurance policy equal to the replacement value of the Home (adjusted every five (5) years by appraisal, if requested by City), naming the City as an additional insured and loss payee. Additional insurance requirements are set forth in Section 3 of the City Deed of Trust.

6. TRANSFER AND SALE RESTRICTIONS

A. Transfer. Any Transfer of the Home will be subject to the provisions of this Agreement including, without limitation, exercise of the City Option pursuant to Section 10 below. "Transfer" shall mean any sale, assignment or transfer, voluntary or involuntary, of any interest in the Home, including, but not limited to, a fee simple interest, a joint tenancy interest, a life estate, a leasehold interest, an interest evidenced by a land contract by which possession of the Home is transferred and Owner retains title, or a deed of trust. Any Transfer without satisfaction of the provisions of this Agreement is prohibited, and shall constitute a default for which the City may exercise the City Purchase Option on Default pursuant to Section 18 below. A Transfer shall not include a transfer: (i) by the Owner to a spouse or Domestic Partner where the spouse or Domestic Partner becomes the co-owner of the Home; (ii) between spouses as part of a marriage dissolution proceeding; (iii) to an existing spouse or Domestic Partner of



Owner by devise or inheritance following the death of Owner; (iv) by Owner into an inter vivos trust in which Owner is the beneficiary; (v) by deed of trust or imposition of a lien subordinate to the Deed of Trust or (vi) refinance of the First Lender meeting the requirements of Section 25 of this Agreement; provided, however, that Owner shall provide written notice of all such transfers to City pursuant to Section 7 below; and Owner shall continue to occupy the Home as his or her principal place of residence (except where the transfer occurs pursuant to subsection (ii) or (iii) above, in which event the transferee shall owner-occupy the Home and affirmatively assume Owner's obligations under this Agreement. For the purposes of this Section 6, "Domestic Partners" shall mean two unmarried people, at least eighteen (18) years of age, who have lived together continuously for at least one (1) year and who are jointly responsible for basic living expenses incurred during their domestic partnership. Domestic Partners may not be persons related to each other by blood or adoption such that their marriage would be barred in the state of California. For purposes of this section, an individual shall be considered a domestic partner of Owner upon presentation of an affidavit or other acceptable evidence by Owner to the City.

B. Inheritance. In the event a Transfer occurs by devise or inheritance due to death of the Owner, the administrator of the Owner's estate or the person inheriting the Home shall provide written notice to the City of the Owner's death within thirty (30) days of the date of death and the following procedures shall apply:

(1) The person inheriting the Home (the "Inheriting Owner") shall provide the City with income information, to be verified by the City, so that the City may determine if the Inheriting Owner is an Income Eligible Household. The Inheriting Owner shall be an Income Eligible Household if at the time the Inheriting Owner takes possession of the Home, his or her household is in the same Income Category as Owner as set forth on page 1 of this Agreement, if the Inheriting Owner fails to provide required financial information and/or documentation, he or she shall be deemed not to qualify as an Income Eligible Household. If the Inheriting Owner qualifies as an Income Eligible Household, he or she shall succeed to the Owner's interest and obligations under this Agreement, the City Note, and the City Deed of Trust and new documents shall be executed between the Inheriting Owner and the City and recorded against the Home, if the Inheriting Owner fails to qualify as an Income Eligible Household, he or she shall be required to Transfer the Home to an Eligible Purchaser at a price not exceeding the Maximum Restricted Resale Price, pursuant to the procedures set forth in Sections 7 through 13 below and the City may exercise the City Option pursuant to Section 10 below; provided, however that the Inheriting Owner may own and occupy the Home for up to twelve (12) months prior to providing an Owner's Notice of Intent to Sell to the City pursuant to Section 7 below, and provided further that the Inheriting Owner remains in compliance with the requirements of this Agreement and the City Deed of Trust. The Inheriting Owner shall not be required to occupy the Home during this twelve (12)-month time period, but shall not rent the Home except as provided in Section 3B above.

(2) Failure of an Inheriting Owner to follow the procedures and file the notices described in this Section 6 shall constitute a Default under this Agreement and the City may then exercise any of the remedies set forth in Section 15 below, including, without limitation, exercise of the City Purchase Option upon Default.

## 7. NOTICE OF INTENDED TRANSFER; PREPARATION OF HOME FOR SALE

A. In the event the Owner intends to transfer (including without limitation all "Transfers" as defined in Section 6) or vacate the Home, the Owner shall promptly give the City written notice of such intent (the "Owner's Notice of Intent to Transfer") in the form shown in the

attached Exhibit C. The Owner shall give the City the Owner's Notice of Intent to Transfer prior to notifying real estate brokers or lenders of Owner's intent to Transfer the Home and prior to listing of the Home on the Multiple Listing Service. The Owner's Notice of Intent to Transfer shall be sent to the City by certified mail, return receipt requested at the address provided in Section 33 of this Agreement. The Owner's Notice of Intent to Transfer shall include the information necessary for the City to determine the Maximum Restricted Resale Price of the Home, including the following information:

- (1) the address of the Home;
- (2) the date of purchase of the Home by the Owner;
- (3) the purchase price of the Home paid by the Owner at the time of his/her purchase;
- (4) a copy of the HUD-1 Settlement Statement or equivalent document from the close of escrow on the Owner's purchase of the Home;
- (5) if Owner has made Eligible Capital Improvements to the Home that he/she wishes to include in the calculation of Indexed Price, a description of the improvements, the date the improvements were made, and evidence of cost of the improvements;
- (6) if the Owner believes the Home is in good repair, with no deferred maintenance that would warrant a downward adjustment of the Indexed Price, a request for City inspection to verify good condition;
- (7) the date on which Owner intends to vacate Home;
- (8) the date the Home will be placed on the market; and
- (9) the name and phone number of the person to contact to schedule inspection of the Home by the City.

B. The Owner may not wish to contract with a real estate broker to sell the Home until the Owner has received the City Response Notice pursuant to Section 8 below, as the services of a broker will not be required if the City exercises the City Option to purchase the Home pursuant to Section 10 below.

C. Following delivery to the City of the Owner's Notice of Intent to Transfer, the Owner shall prepare the Home for sale, as follows:

- (1) within thirty (30) days of delivery of the Owner's Notice of Intent to Transfer, the Owner shall obtain and deliver to the City a current written report of inspection of the Home by a licensed structural pest control operator;
- (2) within the sooner of (a) sixty (60) days from the date of delivery of the Owner's Notice of Intent to Transfer, or (b) prior to close of escrow on the Transfer, the Owner shall repair all damage noted in the pest report including damage caused by infestation or infection by wood-destroying pests;

(3) within thirty (30) days of the date of the Owner's Notice of Intent to Transfer, the Owner shall allow the City to inspect the Home to determine its physical condition and, if requested by the City, following such inspection, the Owner shall obtain and deliver to the City a home inspection report prepared by a licensed home inspector; and

(4) if the Home is vacant, the Owner shall maintain utility connections until the close of escrow on the Transfer;

(5) in the event of purchase of the Home by the City or City Designated Purchaser, the Owner shall permit a final walk-through of the Home by the City or City Designated Purchaser, in the final three (3) days prior to close of escrow on the Transfer.

#### 8. CITY RESPONSE TO OWNER'S NOTICE OF INTENDED TRANSFER

City shall respond in writing (the "City Response Notice") to the Owner's Notice of Intent to Transfer within thirty (30) days of City receipt of a complete Owner's Notice of Intent to Transfer that includes all information required under Section 7 above, including City receipt of the pest control report and home inspection report (if any) required pursuant to Section 7C above. The City Response Notice shall inform the Owner of the City's election to proceed under one (1) of the following two (2) alternatives:

A. City Exercise of City Purchase Option. The City Response Notice may notify the Owner that the City or a City Designated Purchaser elects to exercise the City Option to purchase the Home. The City Response Notice shall include the City's calculation of the (i) Maximum Restricted Resale Price pursuant to Section 12 below to be paid by the City or a City Designated Purchaser and (ii) the transaction fee to be paid by the Owner pursuant to Section 10 below.

B. Owner Sale at a Restricted Sales Price to Eligible Purchaser. Alternatively, the City Response Notice may notify the Owner that the City or a City Designated Purchaser will not exercise the City Option to purchase the Home. Upon receipt of such notice, the Owner may proceed to sell the Home to an Eligible Purchaser at a price not to exceed the Maximum Restricted Resale Price, as set forth in Section 12 and pursuant to the procedure set forth in Section 13 below. In this event, the City Response Notice shall include the following information: (1) the maximum qualifying income for an Eligible Purchaser; (2) the certifications required of an Eligible Purchaser; and (3) the Maximum Restricted Resale Price the Owner may receive for the Home, calculated by the City pursuant to Section 12 below.

#### 9. OWNER ACKNOWLEDGEMENT OF CITY RESPONSE NOTICE

No later than seven (7) days following the date of the City Response Notice, the Owner shall acknowledge in writing to the City, in the form shown in the attached Exhibit D, that he/she has received the City Response Notice and notifying City whether Owner still intends to Transfer the Home.

#### 10. CITY PURCHASE OPTION

A. The Owner agrees that if the Owner decides to Transfer the Home, the City shall have the option to purchase the Home for the Maximum Restricted Resale Price calculated pursuant to Section 12 of this Agreement (the "City Option"). The Owner shall pay the City a transaction fee equal to four percent (4%) of the Maximum Restricted Resale Price if the City or



a City Designated Purchaser exercises the City Option and purchases the Home. The City Option may be exercised by the City or by a City Designated Purchaser in the City Response Notice. If the City Response Notice notifies the Owner that the City or a City Designated Purchaser will exercise the City Option to purchase the Home, the City or the City Designated Purchaser shall purchase the Home within ninety (90) days of the date of the City Response Notice and title shall be delivered by the Owner to the City or City Designated Purchaser by grant deed, free and clear of any mortgage or other liens, unless approved in writing by the City. In the event of exercise of the City Option and purchase of the Home by the City or a City-Designated Purchaser, the Owner shall permit a final walk-through of the Home by the City or the City-Designated Purchaser in the final three (3) days prior to close of escrow on the Transfer.

B. The City may assign the City Option to another public agency, a nonprofit corporation, or an Eligible Purchaser selected by the City (any of which shall be referred to herein as a "City Designated Purchaser"). If the City assigns the City Option to a City Designated Purchaser, the City Response Notice shall be executed by the City Designated Purchaser and shall notify the Owner that a City Designated Purchaser is exercising the City Option in lieu of the City.

C. The City acknowledges and agrees that the City Option shall only be exercised by the City or a City Designated Purchaser for the purpose of retaining the Home as an affordable housing unit and that the Home may only be resold by the City or a City Designated Purchaser as an affordable housing unit in compliance with the City's Inclusionary Housing Program and/or other City affordable housing programs.

11. intentionally Omitted.

12. DETERMINATION OF MAXIMUM RESTRICTED RESALE PRICE FOR CITY PURCHASE OR RESTRICTED SALE

If the City (or its assignee) exercises the City Option, or if Owner sells to an Eligible Purchaser, the Maximum Restricted Resale Price (the "Maximum Restricted Resale Price") that the Owner shall receive from the City, City Designated Purchaser or Eligible Purchaser (or from any other sale or transfer by the Owner of the Home) shall be the lesser of (i) the Indexed Price of the Home; or (ii) the Fair Market Value of the Home.

A. Indexed Price. The "Indexed Price" of the Home means the Owner's Base Price, increased by an amount equal to the percentage of increase in the Median Income from the date of the original purchase of the Home by the Owner to the date of receipt by the City of the Owner's Notice of Intent to Transfer, and, where applicable, adjusted pursuant to subsection (2) below to reflect the value of capital improvements or the cost of deferred maintenance. "Median Income" shall refer to the median yearly income, adjusted for household size, in Contra Costa County, as published by the California Department of Housing and Community Development ("HCD"), or, in the event such income determination is no longer published by HCD, or has not been updated for a period of at least eighteen (18) months, the City may use or develop such other reasonable method as it may choose in order to determine the median yearly income in Contra Costa County. The Median Income as of the date of this Agreement is shown on the first page of this Agreement.

(1) Where applicable, the Indexed Price shall include an upward adjustment reflecting the value of any substantial structural or permanent fixed improvements which the

Owner has made to the Home after purchase of the Home. No such adjustment shall be made except for improvements: (a) made or installed by the Owner which conform with applicable building codes; and (b) that conform to Federal Housing Quality Standards, as set forth in 24 C.F.R. §982.401, as they may be amended from time to time. Capital improvements meeting the above requirements are referred to herein as "Eligible Capital Improvements." The adjustment to the Indexed Price for Eligible Capital Improvements shall be limited to appraised increases in value to the Home as a result of the improvements (pursuant to an appraisal performed as described in Section 12A below), including any depreciation in value of the capital improvements since the time of installation, and not the cost of construction of the improvements to the Home.

(2) The Indexed Price shall include a downward adjustment, where applicable, in an amount necessary to repair any violations of applicable building, plumbing, electric, fire or housing codes or any other provisions of the City Building Code.

B. Fair Market Value. In certain circumstances it may be necessary to determine the fair market value of the Home without taking account of the resale restrictions imposed by this Agreement (the "Fair Market Value"). These circumstances include: (1) where the parties wish to determine if the Indexed Price exceeds the Fair Market Value in order to determine the Maximum Restricted Resale Price pursuant to Section 12; and (2) where the parties wish to determine the value of Eligible Capital Improvements in order to calculate the Indexed Price pursuant to Section 12A. If it is necessary to determine the Fair Market Value of the Home, it shall be determined by a certified MAI or other qualified real estate appraiser approved in advance by the City. If possible, the appraisal shall be based upon the sales prices of comparable properties sold in the market area during the preceding three (3)-month period. The cost of the appraisal shall be paid by the Owner, unless the appraisal is obtained from a new purchaser. In the event that the Owner has made capital improvements to the Home (which have been approved in advance by the City pursuant to Section 12A of this Agreement) which have increased the value of the Home or if damage or deferred maintenance has occurred while the Owner owned the Home which has decreased the value of the Home, the appraisal shall specifically ascribe a value to these adjustment factors and state what the fair market value of the Home would be without such adjustments by utilizing the procedures outlined in Section 12A above for calculating the Indexed Price. Nothing in this section shall preclude the Owner and the City from establishing the Fair Market Value of the Home by mutual agreement in lieu of an appraisal pursuant to this section.

### 13. SALE BY OWNER IF CITY DOES NOT EXERCISE OPTION TO PURCHASE

In the event the City Response Notice notifies the Owner to proceed to sell the Home to an Eligible Purchaser at a price not exceeding the Maximum Restricted Resale Price, the Owner may proceed to sell the Home in compliance with the following requirements:

A. Marketing. The Owner shall use bona fide good faith efforts to sell the Home to an Eligible Purchaser in compliance with this Section 13, including listing the Home on the Multiple Listing Service, keeping the Home in an orderly condition, making the Home available to show to agents and prospective buyers, and providing buyers with Eligible Purchaser requirements, including income qualifications and the County's form of disclosure statement summarizing the terms of the buyer's occupancy and resale restriction agreement with option to purchase. A proposed purchaser ("Proposed Purchaser") who the Owner believes will qualify as an Eligible Purchaser shall be referred to the City for an eligibility determination. If the Proposed Purchaser qualifies as an Eligible Purchaser, the City will also determine if such Eligible

Purchaser is eligible for City housing-related financial assistance that may be available at the time of resale.

B. Eligible Purchaser. A Proposed Purchaser shall qualify as an "Eligible Purchaser" if he or she meets the following requirements, as determined by the City:

(1) Income Eligibility. The combined maximum income for all household members of the Proposed Purchaser shall not exceed the income level designated by the City in the City Response Notice.

(2) Intent to Owner Occupy. The Proposed Purchaser shall certify that he or she will occupy the Home as to his or her principal place of residence throughout his or her ownership. Co-signers are not required to occupy the Home.

(3) Agreement to Sign Resale Restriction Agreement and Deed of Trust, and to Cooperate with the City. The Proposed Purchaser shall agree to sign a resale restriction agreement and deed of trust restricting future resale of the Home and shall agree to cooperate fully with the City in promptly providing all information requested by the City to assist the City in monitoring the Proposed Purchaser's compliance with the resale restriction agreement.

C. Maximum Sales Price. The purchase price for the sale of the Home by the Owner to the Eligible Purchaser shall not exceed the Maximum Restricted Resale Price calculated by the City pursuant to Section 12 above, as set forth in the City Response Notice. The closing costs paid by the Eligible Purchaser shall not exceed reasonable customary buyer's closing costs in the County of Contra Costa.

D. Disclosure and Submittals. The Owner and the Proposed Purchaser shall provide the following information and documents to the City:

(1) The name, address and telephone number in writing of the Proposed Purchaser.

(2) A signed financial statement of the Proposed Purchaser in a form acceptable to the City and any other supporting documentation requested by the City. The financial information shall be used by the City to determine the income eligibility of the Proposed Purchaser.

(3) The proposed sales contract and all other related documents which shall set forth all the terms of the sale of the Home. Said documents shall include at least the following terms: (a) the sales price; and (b) the price to be paid by the Proposed Purchaser for the Owner's personal property, if any, for the services of the Owner, if any, and any credits, allowances or other consideration, if any.

(4) A written certification, from the Owner and the Proposed Purchaser in a form acceptable to the City that the sale shall be closed in accordance with the terms of the sales contract and other documents submitted to and approved by the City. The certification shall also provide that the Proposed Purchaser or any other party has not paid and will not pay to the Owner, and the Owner has not received and will not receive from the Proposed Purchaser or any other party, money or other consideration, including personal property, in addition to what is set forth in the sales contract and documents submitted to the City. The written certification shall also include a provision that in the event a Transfer is made in violation

of the terms of this Agreement or false or misleading statements are made in any documents or certification submitted to the City, the City shall have the right to foreclose on the Home or file an action at law or in equity as may be appropriate. In any event, any costs, liabilities or obligations incurred by the Owner and the Proposed Purchaser for the return of any moneys paid or received in violation of this Agreement or for any of the Owner's and/or the Proposed Purchaser's costs and legal expenses, shall be borne by the Owner and/or the Proposed Purchaser and they shall hold the City harmless and reimburse the City's expenses, legal fees and costs for any action they reasonably take in good faith in enforcing the terms of this Agreement.

(5) An executed Occupancy, Refinancing, and Resale Restriction Agreement With Option to Purchase and deed of trust to the City from the Proposed Purchaser in forms provided by the City. The recordation of the new deed of trust and buyer's resale agreement shall be a condition of the City's approval of the proposed sale.

(6) The name of the title company escrow holder for the sale of the Home, the escrow number, and name, address, and phone number of the escrow officer.

(7) Upon the close of the proposed sale, certified copies of the recorded City deed of trust and Owner's resale agreement, a copy of the final sales contract, settlement statement, escrow instructions, and any other documents which the City may reasonably request.

#### 14. PAYMENT TO CITY OF EXCESS SALES PROCEEDS

If the Owner makes a Transfer in violation of this Agreement, the Owner shall pay any Excess Sales Proceeds received therefrom to the City. For purposes of this Agreement, "Excess Sales Proceeds" shall mean the amount by which the gross sales proceeds received by the Owner from the purchaser exceed the Maximum Restricted Resale Price for the Home. The Owner acknowledges that the City shall have no obligation to cause reconveyance of this Agreement or of the City Deed of Trust until the Excess Sales Proceeds are paid to the City. The City shall utilize the Excess Sales Proceeds for City affordable housing programs. The Owner and the City acknowledge that the formula for calculation of the amount of Excess Sales Proceeds due from the Owner to the City is intended to cause the Owner to receive the same or fewer net sales proceeds from sale of the Home at an unrestricted price to a market purchaser (in violation of this Agreement) as the Owner would receive from sale of the Home to the City, City Designated Purchaser or to an Eligible Purchaser at the Maximum Restricted Resale Price.

#### 15. DEFAULTS

A. The following events shall constitute a Default by the Owner under this Agreement:

(1) The City determines that the Owner has made a misrepresentation to obtain the benefits of purchase of the Home or in connection with its obligations under this Agreement;

(2) The Owner fails to occupy the Home, as required pursuant to Section 3 above, and such failure continues following written notice by the City and sixty (60) days opportunity to cure following the date of such notice.



(3) The Owner rents the Home in violation of Section 3B above, and such failure continues following written notice by the City and sixty (60) days' opportunity to cure.

(4) The Owner fails to provide information to the City necessary to determine Owner's compliance with the requirements of this Agreement.

(5) The Owner makes a Transfer in violation of this Agreement;

(6) The Owner otherwise fails to comply with the requirements of this Agreement and such violation is not corrected to the satisfaction of the City within ten (10) days after the date of written notice by the City to the Owner of such violation; or

(7) A notice of default is issued under the First Lender Loan or other financing secured by the Home.

(8) A lien is recorded against the Home other than the lien of a bona fide mortgage loan.

(9) Owner places a mortgage on the Home in violation of Section 25 below.

(10) Owner declares bankruptcy or makes an assignment of assets for the benefit of creditors.

(11) Owner defaults under the City Deed of Trust.

B. Upon a declaration of Default by the City under this Agreement, the City may exercise any remedies at law or in equity, including without limitation, any or all of the following, none of which shall be an exclusive remedy:

(1) Declare all Excess Sales Proceeds and/or Excess Rental Proceeds immediately due and payable without further demand, and invoke the power of sale under the City Deed of Trust;

(2) Apply to a court of competent jurisdiction for such relief at law or in equity as may be appropriate;

(3) Take such enforcement actions as is authorized under the City Municipal Code;

(4) Declare a Default under the City Deed of Trust and pursue all City remedies under the City Deed of Trust; and

(5) Exercise the City Option upon Default as described in Section 18 below.

## 16. NOTICE AND CURE

Upon Default or a violation of any of the provisions of this Agreement, the City may give written notice to the Owner specifying the nature of the violation. If the violation is not corrected to the satisfaction of the City within a reasonable period of time, not longer than thirty (30) days after the date the notice is mailed, or within such further time as the City determines is necessary to correct the violation, or if the Owner is in default under any other mortgage loan on the Home, the City may declare a default under this Agreement.



The City shall notify First Lender at the address provided by the First Lender to the City in the manner set forth in Section 33 of this Agreement, if the City has declared a default under this Agreement or the City Deed of Trust.

17. NOTICE TO CITY OF DEFAULT

A request for notice of default and any notice of sale under any deed of trust or mortgage with power of sale encumbering the Home shall be recorded by the City in the Office of the Recorder of the County of Contra Costa for the benefit of the City. The City may declare a default under this Agreement upon receipt of any notice given to the City pursuant to Civil Code Section 2924b, and may exercise its rights as provide in Sections 15 and 18.

In the event of default and foreclosure under the First Lender Loan or any other mortgage loan on the Home, the City shall have the same right as the Owner to cure defaults and redeem the Home prior to the foreclosure sale. Nothing herein shall be construed as creating any obligation of the City to cure any such default, nor shall this right to cure and redeem operate to extend any time limitations in the default provisions of the underlying deed of trust or mortgage.

If the City failed to file the request for notice of default, the City's right to purchase the Home shall commence from the date a notice of default is given by the City to the Owner.

18. PURCHASE OPTION UPON DEFAULT

A. Purchase Option. Notwithstanding, and in addition to, the remedies provided the City in Section 15, and the City Option provided in Section 10, the Owner hereby grants to the City or the Designee the option to purchase the Home effective upon the declaration of a default by the City pursuant to Section 15 above, and subject to notice and cure rights set forth in Section 18 (the "City Purchase Option Upon Default"). Said option to purchase is given in consideration of the economic benefits received by the Owner resulting from ownership of the Home made possible by the financial assistance of the City in the purchase of the Home.

B. Exercise of Option. The City Purchase Option Upon Default may be exercised upon a default under this Agreement or upon default under any promissory note, deed of trust or any other lien, including a judgment lien, recorded against the Home. The City shall have thirty (30) days after a default is declared to notify the Owner and the First Lender of its decision to exercise its option to purchase. Not later than ninety (90) days after the notice is given by the City to the Owner of the City's intent to exercise its option, the City shall purchase the Home for the Maximum Restricted Resale Price set forth in Section 12 and title shall be delivered by the Owner to the City by grant deed, free and clear of any mortgage or other liens, unless approved in writing by the City. In the event of exercise of the City Option and purchase of the Home by the City or its assignee, the Owner shall permit a final walk-through of the Home by the City or its assignee in the final three (3) days prior to close of escrow on the Transfer. The City may assign its rights to purchase the Home under this Section 18 to a City Designated Purchaser.

19. NONLIABILITY OF THE CITY

A. No Obligation to Exercise Option. The City shall have no obligation to exercise any option granted it under this Agreement. In no event shall the City become in any way liable or obligated to the Owner or any successor-in-interest to the Owner by reason of its option to purchase under Sections 10 and 18 nor shall the City be in any way obligated or liable to the

Owner or any successor-in-interest to the Owner for any failure to exercise its option to purchase.

B. Nonliability for Negligence, Loss, or Damage. Owner acknowledges, understands and agrees that the relationship between Owner and the City is solely that of an owner and an administrator of a City affordable housing program, and that the City does not undertake or assume any responsibility for or duty to Owner to select, review, inspect, supervise, pass judgment on, or inform Owner of the quality, adequacy or suitability of the Home or any other matter. The City owes no duty of care to protect Owner against negligent, faulty, inadequate or defective building or construction or any condition of the Home and Owner agrees that neither Owner, or Owner's heirs, successors or assigns shall ever claim, have or assert any right or action against the City for any loss, damage or other matter arising out of or resulting from any condition of the Home and will hold the City harmless from any liability, loss or damage for these things.

C. Indemnity. Owner agrees to defend, indemnify, and hold the City harmless from all losses, damages, liabilities, claims, actions, judgments, costs, and reasonable attorneys fees that the City may incur as a direct or indirect consequence of: (1) Owner's default, performance, or failure to perform any obligations as and when required by this Agreement or the Deed of Trust; (2) the failure at any time of any of Owner's representations to the City to be true and correct; or (3) Owner's purchase or ownership of the Home.

#### 20. RESTRICTIONS ON FORECLOSURE PROCEEDS

If a creditor acquires title to the Home through a deed in lieu of foreclosure, a trustee's deed upon sale, or otherwise, the Owner shall not be entitled to the proceeds of sale to the extent that such proceeds otherwise payable to the Owner when added to the proceeds paid or credited to the creditor exceed the Maximum Restricted Resale Price. The Owner shall instruct the holder of such excess proceeds to pay such proceeds to the City in consideration of the benefits received by the Owner through purchase of the Home under this Agreement.

#### 21. RESTRICTION ON INSURANCE PROCEEDS

If the Home is damaged or destroyed and the Owner elects not to rebuild or repair the Home, the Owner shall pay the City the portion of any insurance proceeds received by the Owner for such destruction or damage which is in excess of the Maximum Restricted Resale Price calculated pursuant to Section 12 above.

#### 22. TERM OF AGREEMENT

All the provisions of this Agreement, including the benefits and burdens, run with the land and the Home and this Agreement shall bind, and the benefit hereof shall inure to, the Owner, his or her heirs, legal representatives, executors, successors in interest and assigns, and to the City and its successors for the "Term" of this Agreement, which is the earlier of (i) forty-five (45) years from the date of this Agreement or (ii) the date of Transfer of the Home to the City, a City Designated Purchaser or another purchaser in compliance with this Agreement (including execution by the purchaser of a new resale restriction agreement for the benefit of the City).

#### 23. SUPERIORITY OF AGREEMENT

The Owner covenants that he or she has not, and will not, execute any other agreement with provisions contradictory to or in opposition to the provisions of this Agreement hereof, and that, in any event, this Agreement is controlling as to the rights and obligations between and among the Owner, the City and their respective successors.

#### 24. SUBORDINATION

Notwithstanding any other provision hereof, the provisions of this Agreement shall be subordinate to the lien of the First Lender Loan and shall not impair the rights of the First Lender, or the First Lender's successor or assign, to exercise its remedies under the First Lender Deed of Trust in the event of default under the First Lender Deed of Trust by the Owner. Such remedies under the First Lender Deed of Trust include the right of foreclosure or acceptance of a deed or assignment in lieu of foreclosure. After such foreclosure or acceptance of a deed or assignment in lieu of foreclosure, this Agreement shall be forever terminated and shall have no further effect as to the Home or any transferee thereafter; provided, however, if the holder of such First Lender Deed of Trust acquired title to the Home pursuant to a deed or assignment in lieu of foreclosure and no notice of default was recorded against the Home by such holder in connection therewith, this Agreement shall automatically terminate upon such acquisition of title, only if (i) the City has been given written notice of default under such First Lender Deed of Trust with a sixty (60)-day cure period (which requirement shall be satisfied by recordation of a notice of default under California Civil Code Section 2924), and (ii) the City shall not have cured the default within the sixty (60)-day period. Owner agrees to record any necessary documents to effect such termination, if applicable.

#### 25. REFINANCE OF FIRST LENDER LOAN; SUBORDINATE LOANS

A. City Consent Required. The Owner covenants and agrees not to place any additional mortgage or deed of trust, including any line of credit, on the Home without obtaining prior written consent of the City.

B. Permitted Encumbrance Amount. At no time shall the total principal amount of all debt secured by the Home exceed the "Permitted Encumbrance Amount," which is defined as the greater of: (i) ninety percent (90%) of the Maximum Restricted Resale Price calculated pursuant to Section 12 as of the date of the Owner's request to the City of approval of the Owner's refinance (the "Refinance Request Notice"); or (ii) the outstanding balance of the existing First Lender Loan as of the date of the Refinance Request Notice. Mortgage loans which include negative amortization are prohibited. If escrow does not close on the refinance within one hundred twenty (120) days of the date of the Refinance Request Notice, the City shall have the right to recalculate the Permitted Encumbrance Amount. Owner shall not be in Default hereunder at the time of initial purchase of the Home by the Owner if, at that time, the initial debt secured by the Home exceeds the Permitted Encumbrance Amount And Owner does not further encumber the Home until the Permitted Encumbrance Amount complies with this paragraph. A form of Refinance Request Notice for use by the Owner is attached hereto as Exhibit F. As part of its Refinance Request Notice, the Owner shall provide to the City a copy of the HUD-1 Settlement Statement, and a description of any Eligible Capital Improvements Owner has made to the Home.

C. Refinance of First Lender Loan. The City shall permit and approve a prepayment and refinance of the existing First Lender Loan and shall provide for the subordination of this Agreement and the City Deed of Trust to the refinanced First Lender Loan only if such refinance does not cause the total debt secured by the Home, including junior mortgage loan and equity

lines of credit, to exceed the Permitted Encumbrance Amount. The City will not approve any mortgage loan which includes negative amortization.

D. Junior Loans and Equity Lines of Credit. Mortgage loans or equity lines of credit junior in lien priority to this Agreement and the City Deed of Trust are not permitted, except as when expressly approved by the City in writing. The City shall only approve junior mortgage loans or equity lines of credit which will not cause the total of all debt secured by the Home (calculated assuming a maximum permitted draw on any equity line of credit) to exceed the Permitted Encumbrance Amount. The City will not approve any mortgage loan or equity line of credit which includes negative amortization.

E. Request for Notice of Default. Any time an Owner enters into a new mortgage loan, including junior mortgage loans and equity lines of credit, the Owner shall cause to be recorded against the Home a request for notice of default, providing for notice of default under such loan to be delivered to the City.

F. Purpose of Restrictions on Refinance and Junior Loans. The City and the Owner agree that the requirements of this Section 25 are necessary to ensure the continued affordability of the Home to Owner and to minimize the risk of loss of the Home by Owner through default and foreclosure of mortgage loans. Owner further acknowledges that violation of the provisions of this Section 25 shall constitute a Default under this Agreement for which the City may exercise the City's option upon default pursuant to Section IS above.

## 26. NONDISCRIMINATION

The Owner covenants by and for itself and its successors and assigns that there shall be no discrimination against or segregation of a person or of a group of persons on account of race, color, religion, creed, age, disability, sex, sexual orientation, marital status, ancestry or national origin in the sale, transfer, use, occupancy, tenure or enjoyment of the Home, nor shall the Owner or any person claiming under or through the Owner establish or permit any such practice or practices of discrimination or segregation with reference to the use, occupancy, or transfer of the Home. The foregoing covenant shall run with the land.

## 27. RECORDKEEPING

The Owner shall retain all records related to Owner's compliance with its obligations under this Agreement for a period of not less than five (5) years, and shall make such records available to the City or its designee for inspection and copying upon five (5) business days advance written notice. Owner shall cooperate with the City monitoring and provide required certifications and

other information required by the City to determine compliance with the Owner Occupancy requirements of this Agreement annually as required pursuant to Section 3.B or within ten (10) days of receipt of a written request by the City.

## 28. RIGHTS OF BENEFICIARIES UNDER DEEDS OF TRUSTS

This Agreement shall not diminish or affect the rights of the City under the City Deed of Trust.



Notwithstanding any other provision in this Agreement to the contrary, this Agreement shall not diminish or affect the rights of the California Housing Finance Agency ("CalHFA"), HUD, the Federal National Mortgage Association ("FNMA"), or the Veterans Administration ("VA") under the First Lender Deed of Trust or any subsequent First Lender deeds of trust hereafter recorded against the Home in compliance with Section 25 above.

29. HUD FORBEARANCE RELIEF

Notwithstanding other provisions of this Agreement, the Option shall not be exercised by the City when a deed of trust insured by HUD is secured by the Home, and (i) the Owner is undergoing consideration by HUD for assignment forbearance relief, or (ii) the Owner is undergoing consideration for relief under HUD's Temporary Mortgage Assistance Payment (TMAP) program.

30. INVALID PROVISIONS

if any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions contained in this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

31. NO WAIVER

No delay or omission in the exercise of any right or remedy of City upon any default by Owner shall impair such right or remedy or be construed as a waiver. The City's failure to insist in any one or more instance upon the strict observance of the terms of this Agreement shall not be considered a waiver of the City's right thereafter to enforce the provisions of the Agreement. The City shall not waive its rights to enforce any provision of this Agreement unless it does so in writing, signed by an authorized agent of the City.

32. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the State of California.

33. NOTICES

All notices required herein shall be sent by certified mail, return receipt requested or express delivery service with a delivery receipt and shall be deemed to be effective as of the date received or the date delivery was refused as indicated on the return receipt as follows:

To the Owner:

At the address of the Home.

To the City:

City of Lafayette  
3675 Mt. Diablo Blvd. #210  
Lafayette, CA 94549-1968



Attn: Planning Director

To the First Lender:

**[to be inserted]**

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this section.

34. INTERPRETATION OF AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid speculation on the Home and to ensure to the extent possible that the mortgage payments remain affordable to very-low and moderate income households, as applicable to the restrictions on the Home.

35. COVENANTS RUNNING WITH THE LAND

A. Owner hereby subjects the Home to the covenants and restrictions set forth in this Agreement. Owner hereby declares its express intent that the covenants and restrictions set forth herein shall be deemed covenants running with the land in perpetuity and shall pass to and be binding upon all parties having any interest in the Home throughout the Term of this Agreement set forth in Section 22. Each and every contract, deed, lease or other instrument covering, conveying or otherwise transferring the Home or any interest therein, as the case may be, shall conclusively be held to have been executed, delivered and accepted subject to this Agreement regardless of whether the other party or parties to such contract have actual knowledge of this Agreement.

B. The Owner and the City hereby declare their understanding and intent that: (i) the covenants and restrictions contained in this Agreement shall be construed as covenants running with the land pursuant to California Civil Code Section 1468 and not as conditions which might result in forfeiture of title by Owner; (ii) the burden of the covenants and restrictions set forth in this Agreement touch and concern the Home in that the Owner's legal interest in the Home may be rendered less valuable thereby; and (iii) the benefit of the covenants and restrictions set forth in this Agreement touch and concern the land by enhancing and increasing the enjoyment and use of the Home by Eligible Purchasers, the intended beneficiaries of such covenants and restrictions.

C. All covenants and restrictions contained herein without regard to technical classification or designation shall be binding upon Owner for the benefit of the City and Eligible Purchasers and such covenants and restrictions shall run in favor of such parties for the entire period during which such covenants and restrictions shall be in force and effect, without regard to whether the City is an owner of any land or interest therein to which such covenants and restrictions relate.

36. OWNER'S ACKNOWLEDGEMENT OF RESALE RESTRICTION

Owner hereby acknowledges and agrees that:

A. Owner hereby subjects the Home to certain restrictions, and limits the price for which Owner may sell the Home and the persons to whom Owner may sell the Home. The resale price limitation, and other provisions contained in this Agreement, restrict the full benefits

of owning the Home. Owner may not enjoy the same economic or other benefits from owning the Home that Owner would enjoy if this Agreement did not exist.

B. Absent the provisions of the Resolution and the provisions of this Agreement, the Home could not be made available to Eligible Purchasers at an affordable price, including Owner.

C. Owner understands all of the provisions of this Agreement. In recognition of the acknowledgments and agreements stated in this Section 38, Owner accepts and agrees to the provisions of this Agreement with the understanding that this Agreement will remain in full force and effect as to the Home following any Transfer of the Home throughout the Term of this Agreement.

D. OWNER UNDERSTANDS THAT THE DETERMINATION OF THE MAXIMUM RESTRICTED RESALE PRICE OF THE HOME TO AN ELIGIBLE PURCHASER CAN BE MADE ONLY AT THE TIME OF HE PROPOSED TRANSFER, TAKING INTO CONSIDERATION INCREASES IN MEDIAN INCOME AND OTHER FACTORS THAT CANNOT BE ACCURATELY PREDICTED AND THAT THE SALES PRICE PERMITTED HEREUNDER MAY NOT INCREASE OR DECREASE IN THE SAME MANNER AS OTHER SIMILAR REAL PROPERTY WHICH IS NOT ENCUMBERED BY THIS AGREEMENT. OWNER FURTHER ACKNOWLEDGES THAT AT ALL TIMES IN SETTING THE SALES PRICE OF THE HOME THE PRIMARY OBJECTIVE OF THE CITY AND THIS AGREEMENT IS TO PROVIDE HOUSING TO ELIGIBLE PURCHASERS AT AFFORDABLE HOUSING COST. THE MAXIMUM RESTRICTED RESALE PRICE WILL ALMOST CERTAINLY BE LESS THAN OTHER SIMILAR PROPERTIES THAT HAVE NO RESTRICTIONS.

\_\_\_\_\_  
(Initials of Owner)

37. EXHIBITS

Any exhibits referred to in this Agreement are incorporated in this Agreement by such reference.

IN WITNESS WHEREOF, the parties have executed this Agreement on or as of the date first written above.

CITY: OWNER:

OWNER:

CITY OF LAFAYETTE, a municipal corporation

\_\_\_\_\_  
Print Name

By: \_\_\_\_\_

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_

Print Name

Signature \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Contra Costa )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California )  
County of Contra Costa )

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public, personally appeared \_\_\_\_\_, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature \_\_\_\_\_



EXHIBIT A

Legal Description of Home

EXHIBIT B

Form of Owner Occupancy Certification

To: City of Lafayette ("City")

From: \_\_\_\_\_ [name of owner(s)] ("Owner(s)")

Address of Home: \_\_\_\_\_ ("Home")

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

By signature below, I \_\_\_\_\_ [insert name or names of Owner] hereby certify to the City under penalty of perjury that I/we occupy the home located at \_\_\_\_\_ [insert address] (the "Home") as my/our principal place of residence and that I/we have occupied the Home for \_\_\_\_\_ (\_\_\_\_\_) [insert number] months of the calendar year [insert previous calendar year]. Attached to this letter is a copy of \_\_\_\_\_ [insert utility bill or driver's license] showing my place of residence.

This Owner Occupancy Certification is signed on \_\_\_\_\_, 20\_\_, under penalty of perjury.

By: \_\_\_\_\_  
Owner [type name]

By: \_\_\_\_\_  
Owner [type name]

Due Date: February 1 of each calendar year.

Attach copy of utility bill or driver's license showing address of Home.

EXHIBIT C

Form of Owner's Notice of Intent to Transfer  
(Inclusionary Homebuyer Program)

To: City of Lafayette ("City")

From: \_\_\_\_\_ [name of owner(s)] ("Owner(s)")

Address of Home: \_\_\_\_\_ ("Home")

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

Please be notified pursuant to Section 7 of the Resale Restriction Agreement and Option to Purchase between Owner and City dated \_\_\_\_\_, that the Owner intends to transfer the Home listed above.

A. The following information is provided to the City pursuant to Section 7 of the Resale Agreement:

1. Address of Home: \_\_\_\_\_
2. Date Owner purchased Home: \_\_\_\_\_
3. Purchase Price paid by Owner when Home was purchased: \_\_\_\_\_
4. Date Owner intends to vacate Home: \_\_\_\_\_
5. Date Home will be placed on market: \_\_\_\_\_
6. Name and phone number of person for City to contact to schedule inspection:  
\_\_\_\_\_  
(name) and \_\_\_\_\_  
(phone number)

B. As required by Section 7 of the Resale Agreement, the following documents are attached to this Notice:

1. Copy of HUD-1 Settlement Statement from Owner's purchase of the property
2. If Owner has made Eligible Capital Improvements to the Home that Owner wishes to include in the City's calculation of Indexed Price, check box below

Yes, I have made Eligible Capital Improvements pursuant to Section 12 of the Resale Agreement. They are \_\_\_\_\_ [describe improvements] and were completed on \_\_\_\_\_ [insert date]. I attach evidence of cost of these improvements to this letter.

C. I have not yet listed the Home for sale with a multiple listing service, or contacted a real estate broker or financial institution. I agree to prepare the Home for sale by:

1. obtaining a pest control report within thirty (30) days of the date of this notice,
2. repairing all damage noted in the pest report within the sooner of: (i) sixty (60) days from the date of this notice, or (ii) two (2) weeks prior to close of escrow or the transfer of the Home,
3. allowing the City or its designee to inspect the Home within thirty (30) days of this notice,
4. maintaining utility connections until the Home is transferred,
5. permitting a walk through by the City prior to close of escrow or the transfer.

This Owner's Notice of Intent to Transfer is certified by Owner to be true and correct and is signed on \_\_\_\_\_ [insert date] under penalty of perjury.

By: \_\_\_\_\_  
Owner

By: \_\_\_\_\_  
Owner

EXHIBIT D

Form of Owner Acknowledgement of City Response Notice  
(Inclusionary Homebuyer Program)

Name: \_\_\_\_\_

Address of Home: \_\_\_\_\_

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

I, \_\_\_\_\_ [insert name] hereby acknowledge that I received the City Response Notice (as described in Section 8 of the Resale Agreement on \_\_\_\_\_ [insert date])

By: \_\_\_\_\_

EXHIBIT E  
INTENTIONALLY OMITTED



EXHIBIT F

Form of Refinance Request Notice  
(Inclusionary Homebuyer Program)

To: City of Lafayette ("City")

From: \_\_\_\_\_ [name of owner(s)] ("Owner(s)")

Address of Home: \_\_\_\_\_ ("Home")

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

**A. FOR PROPOSED REFINANCE OF FIRST MORTGAGE LOAN**

The Owner hereby requests the City to approve the Owner's refinance of the existing first mortgage on the Home. The Owner provides the following information which it certifies to be true and correct:

1.	Original purchase price of Home:	\$
2.	Date of Purchase of Home:	\$
3.	Original principal balance of existing First Lender Loan:	\$
4.	Interest rate of existing First Lender Loan:	\$
5.	Current outstanding principal balance of First Lender Loan:	\$
6.	Outstanding principal balance of all Loans secured by Home:	\$
	a. First Lender Loan	\$
	b. Junior Loan(s)	\$
7.	Principal amount of proposed First Lender Loan Home:	\$
8.	Interest rate of proposed First Lender Loan Home:	\$
9.	Term of proposed First Lender Loan Home:	\$
10.	Is proposed new First Lender Loan fully amortized:	\$

**B. FOR PROPOSED JUNIOR LOAN**

1.	Original purchase price of Home:	\$
2.	Date of Purchase of Home:	\$
3.	Outstanding principal balance of all Loans secured by Home:	\$
	a. First Lender Loan	\$
	b. Junior Loan(s)	\$
9.	Term of proposed new junior loan (principal amount, term, interest rate, etc.):	\$

**C. FOR PROPOSED REFINANCE OF FIRST MORTGAGE LOAN OR JUNIOR LOAN**

As required by Section 25 of the Resale Agreement, the following documents are attached to this Notice:

1. Copy of HUD-1 Settlement Statement from Owner's purchase of the property
2. If Owner has made Eligible Capital Improvements to the Home that Owner wishes to include in the City's calculation of Indexed Price, check box below

Yes, I have made Eligible Capital Improvements pursuant to Section 12 of the Resale Agreement. They are \_\_\_\_\_ [describe improvements] and were completed on \_\_\_\_\_ [insert date]. I attach evidence of cost of these improvements to this letter.

The Owner hereby certifies the above information is true and correct and this Owner Request is executed under penalty of perjury on \_\_\_\_\_ [insert date].

By: \_\_\_\_\_  
Owner

By: \_\_\_\_\_  
Owner

EXHIBIT D

CITY DEED OF TRUST

RECORDING REQUESTED PURSUANT  
TO GOVERNMENT  
CODE SECTION 27383

When Recorded Mail To:

City of Lafayette  
3675 Mt. Diablo Blvd. #210  
Lafayette, CA 94549-1968  
Attn: City Clerk

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DEED OF TRUST AND SECURITY AGREEMENT

APN: [to be inserted]

THIS DEED OF TRUST AND SECURITY AGREEMENT ("Deed of Trust") is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, among [insert name of homeowner] ("Trustor"), whose address is [insert address of homeowner], [insert name of title company] ("Trustee"), whose address is [insert address of title company], and the City of Lafayette ("Beneficiary"), whose address is 3675 Mt. Diablo Blvd. #210, Lafayette, California 94549-1968.

Trustor irrevocably grants, conveys, transfers and assigns to Trustee in trust, with power of sale and right of entry and possession, all of Trustor's right, title and interest now owned or hereafter acquired in and to the real property in Contra Costa, California, described on Exhibit A attached hereto and incorporated herein by this reference, together with all buildings, structures and improvements now existing or hereafter constructed thereon (the "Improvements") and all other property and interests of any kind or character which may be reasonably necessary or desirable to promote the present and future beneficial use and enjoyment of such real property and improvements (the "Property").

**1. Secured Obligations.** Trustor makes the grant, conveyance, transfer and assignment herein for the purpose of securing Trustor's obligations under that certain Occupancy, Refinancing, and Resale Restriction Agreement with Option to Purchase between Trustor and Beneficiary dated [insert date of Agreement] (the "Secured Obligations").

**2. Maintenance and Repair.** Trustor shall (a) keep the Property in good condition and repair and not remove or demolish any building; (b) complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed; (c) pay when due all claims for labor performed and materials furnished; (d) comply with all laws affecting the Property or requiring any alterations or improvements to be made; and (e) not commit or permit waste.

**3. Insurance.** Trustor shall maintain hazard insurance against loss by fire, hazards included with the term "extended coverage," and any other hazards for which Beneficiary requires insurance, and liability insurance. The insurance carrier and the insurance policies and amounts of coverage shall be acceptable to Beneficiary, the liability policy shall name Beneficiary as an additional insured, and shall require 30 days' prior notice to Beneficiary before the policy is modified or terminated.

**4. Defense of Security.** Trustor shall appear in and defend any action or proceeding purporting to affect the security or the rights or powers of Beneficiary or Trustee. Trustor shall pay all costs and expenses, including costs of evidence of title and attorneys' fees, in any such action or proceeding in which Trustee or Beneficiary may appear, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

**5. Payment of Taxes and Liens.** Trustor shall pay (a) at least 10 days before delinquency, all taxes and assessments affecting the Property, including water stock assessments; (b) when due, all encumbrances, charges and liens, with interest, on the Property, which are or appear to be prior or superior to this Deed of Trust; and (c) upon demand all costs, fees and expenses of this Deed of Trust. If Trustor fails to make any payment or to do any act provided for in this Deed of Trust, then Beneficiary or Trustee may, without obligation to do so, and with or without notice to or demand upon Trustor, and without releasing Trustor from any obligation under this Deed of Trust: (i) make or do the same in such manner and to such extent as either may deem necessary to protect the security, Beneficiary or Trustee being authorized to enter upon the Property for such purposes; (ii) appear in or commence any action or proceeding purporting to affect the security, or the rights or powers of Beneficiary or Trustee; (iii) pay, purchase, contest or settle any encumbrance, charge or lien which in the judgment of either appears to be senior to this Deed of Trust; and (iv) in exercising any such powers, pay allowable expenses, including attorneys' fees.

**6. Reimbursement of Costs.** Trustor shall pay upon demand all sums expended by Beneficiary or Trustee provided for in this Deed of Trust or allowed by law, with interest from date of expenditure at the maximum rate allowed by law.

**7. No Waiver.** By accepting payment of any sum after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums or declare a default for failure to pay.

**8. Reconveyance.** That upon written request of Beneficiary stating that the Secured Obligations have been fulfilled, and upon surrender of this Deed of Trust, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals of such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."

**9. Assignment of Rents.** Trustor hereby absolutely and unconditionally assigns to Beneficiary all of the rents, issues, profits, royalties, revenues, income and other benefits (collectively, the "Rents") derived from the Property, whether now due, past due or to become due, and hereby gives to and confers upon Beneficiary, either directly or through a receiver, the right, power and authority, but not the obligation, to collect the Rents, and to sue, either in the name of Trustor or Beneficiary, for all such Rents and to apply the same to the indebtedness secured hereby in such order as Beneficiary may determine in its sole discretion. This assignment of Rents is intended to create and shall be construed to create an absolute

assignment to Beneficiary of all of Trustor's right, title and interest in the Rents; provided, however, so long as no default exists by Trustor in the payment of any indebtedness secured hereby, or in any other covenant contained herein, or in said note or notes or in any other document evidencing or securing such indebtedness, Trustor shall have the right to collect all Rents from the Property and to retain, use and enjoy the same. Upon the occurrence of such a default, without the necessity of demand or other notice to Trustor or any other act to enforce Beneficiary's interest pursuant to this assignment, Trustor shall have no interest whatsoever in the Rents that are received by Trustor after a default, and all such Rents shall be received and held by Trustor in constructive trust for Beneficiary and delivered promptly to Beneficiary, or to a court-appointed receiver for the Property, without the necessity for further notice to, or demand upon, Trustor. Upon the occurrence of such a default and at any time thereafter during the continuance thereof, Beneficiary may, at its option, send any tenant of the Property a notice to the effect that: (a) a default has occurred; (b) Beneficiary has elected to exercise its rights under this assignment; and (c) such tenant is thereby directed to thereafter make all payments of Rents to or for the benefit of Beneficiary or as Beneficiary shall direct. Any such tenant shall be entitled to rely upon any notice from Beneficiary and shall be protected with respect to any payment of Rents made pursuant to such notice, irrespective of whether a dispute exists between Trustor and Beneficiary with respect to the existence of a default or the rights of Beneficiary hereunder. Any such tenant shall not be required to investigate or determine the validity or accuracy of such notice or the validity or enforceability of this assignment. Trustor hereby agrees to indemnify, defend and hold any such tenant harmless from and against any and all losses, claims, damages or liabilities arising from or related to any payment of Rents by such tenant made in reliance on and pursuant to such notice,

**10. Default and Foreclosure.** Upon default by Trustor in performance of any Secured Obligation, Beneficiary may deliver to Trustee a declaration of default and demand for sale and of a notice of default and a notice of sale, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed of Trust and all documents evidencing the Secured Obligations and expenditures, if any, secured by this Deed of Trust. Upon default of any obligation secured by this Deed of Trust and acceleration of all sums due, if any, Beneficiary may instruct Trustee to proceed with a sale of the Property under the power of sale granted in this Deed of Trust, noticed and held in accordance with California Civil Code Sections 2924, et seq., as such statutes may be amended from time to time. Trustor waives all rights it may have to require marshaling of assets or to require sales of assets in any particular order, including any rights under California Civil Code Sections 2899 and 3433.

**11. Substitution of Trustee.** Beneficiary, or any successor beneficiary of the Secured Obligations or of any indebtedness secured hereby, may from time to time, by instrument in writing, substitute a successor or successors to any Trustee named herein or acting hereunder, which instrument executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where the Property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed of Trust is recorded and the name and address of the new Trustee.

**12. Successors and Assigns.** This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall mean the holder, including pledgees, of the covenants



set forth in the Occupancy, Refinancing, and Resale Restriction Agreement with Option to Purchase whether or not named as Beneficiary herein.

**13. Trustee Acceptance.** Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.

**14. Further Assurances.** Trustor shall, at its own cost and expense, do, execute, acknowledge, and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers, and assurances as Trustee or Beneficiary shall from time to time require, for better assuring, conveying, assigning, transferring, and confirming unto Trustee the Property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which Trustor may be or may hereafter become bound to convey or assign to Trustee, or for carrying out the intention or facilitating the performance of the terms of this Deed of Trust, or for filing, registering, or recording this Deed of Trust. Trustor shall, on demand, execute and deliver, and hereby authorizes Trustee and Beneficiary, or either of them, to execute in the name of Trustor, to the extent it may lawfully do so, one or more financing statements, chattel mortgages, or comparable security instruments, to evidence more effectively the lien hereof. Immediately upon the execution and delivery of this Deed of Trust, and thereafter from time to time. Trustor shall cause this Deed of Trust, and any security instruments creating a lien or evidencing the lien hereof upon any personal property and each instrument of further assurance, to be filed, registered, or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the title of Trustee to, the Property encumbered hereby.

**15. Condemnation and Insurance Proceeds.** Immediately upon obtaining knowledge of the institution of any proceedings for the condemnation or other taking of all or any portion of the Property, or knowledge of any casualty damage to the Property, or damage in any other manner, Trustor shall immediately notify Beneficiary thereof. Trustor hereby authorizes and empowers Beneficiary as attorney-in-fact for Trustor to make proof of loss, to adjust and compromise any claim under the insurance policies covering the Property, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Beneficiary's expenses incurred in the collection of such proceeds; provided, however, that nothing contained in this Section shall require Beneficiary to incur any expense or take any action hereunder. Trustor hereby authorizes and empowers Beneficiary, at Beneficiary's option, as attorney-in-fact for Trustor, to commence, appear in and prosecute, in Beneficiary's or Trustor's name, any action or proceeding relating to any condemnation or other taking of all or any part of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or any part thereof, or for conveyances in lieu of the Property, or any part thereof, shall be paid to Beneficiary. The foregoing powers of attorney are coupled with an interest and are irrevocable. Trustor hereby authorizes Beneficiary to apply such awards, payments, proceeds or damages relating to condemnation of the Property and insurance covering the Property, after the deduction of Beneficiary's expenses incurred in the collection of such amounts, at Beneficiary's option, subject to the requirements of applicable law and the provisions hereof, to restoration or repair of the Property or to payment of the sums secured by this Deed of Trust. Beneficiary shall be under no obligation to question the amount of any compensation, awards, proceeds, damages, claims, rights of action, and payments relating to condemnation or other taking of the

Property or insured casualty affecting the Property, and may accept the same in the amount in which the same shall be paid. Trustor shall execute such further evidence of assignment of any awards, proceeds damages or claims arising in connection with such condemnation or taking or such insurance as Beneficiary may require.

**16. Severability.** If any one or more of the provisions contained in this Deed of Trust shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Deed of Trust, but this Deed of Trust shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein or therein, but only to the extent of such invalidity.

**17. Estoppel Certificate.** Trustor shall, within ten (10) days of a written request from Beneficiary, furnish Beneficiary with a written statement, duly acknowledged, setting forth the sums secured by this Deed of Trust and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this Deed of Trust.

**18. Due-On-Sale or Encumbrance,** if all or any part of the Property, or any interest therein, or any beneficial interest in Trustor (if Trustor is not a natural person or persons but is a corporation, partnership, trust, limited liability company or other legal entity), is sold, transferred, mortgaged, assigned, pledged, or further encumbered, whether directly or indirectly, whether voluntarily or involuntarily or by operational law, Beneficiary may, at Beneficiary's option invoke any remedies permitted by this Deed of Trust.

The undersigned Trustor requests that a copy of any Notice of Default and of any Notice of Sale hereunder be mailed to Trustor at Trustor's address hereinbefore set forth.

TRUSTOR:

By: \_\_\_\_\_

Name: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

**Exhibit A**

Situated in the State of California, City of Lafayette, County of Contra Costa,  
and described as follows

*[insert legal description]*

[Add Notary Acknowledgments]

## EXHIBIT E

### METHODOLOGY FOR CALCULATING AFFORDABLE SALES PRICE

#### I. GENERAL POLICY

Inclusionary Units must be sold at no more than the defined Affordable Sales Price. This price will be calculated as set forth herein, based on the affordability level for the applicable Affordable Unit. The Affordable Sales Price is the maximum price for which an Inclusionary Unit may be sold or resold at any time starting with the initial sale and through the covenant period. The Affordable Sales Price is likely to be lower than the fair market value of the property.

This Agreement imposes the following basic financial requirements:

1. The Affordable Sales Price is calculated based on the standards set forth in the City's Inclusionary Housing Ordinance in effect as of the Reference Date (the "Inclusionary Housing Ordinance").
2. A Benchmark Down Payment amount set at 20% of the Affordable Sales Price will be used for the purposes of calculating the Affordable Sales Price. This Benchmark Down Payment amount is not tied to the actual down payment contributed by the home buyer.

#### II. AFFORDABLE SALES PRICE CALCULATIONS

The Affordable Sales Price is equal to the Supportable Mortgage plus the Benchmark Down Payment. The Planning Director will calculate both the Supportable Mortgage and the Benchmark Down Payment using the form provided at the end of this Exhibit.

This Exhibit establishes maximum sales prices that are affordable to Eligible Purchasers. This affordability requirement continues to apply when existing homeowners opt to resell their home. The amount of the Affordable Sales Price is calculated on the basis of the identified variables. As these variables change, the Affordable Sales Price can increase or decrease. Homeowners should be informed that the Affordable Sales Price can increase or decrease, and that the Affordable Sales Price is in no way tied to market prices.

It is possible that the Affordable Sales Price will decrease over time. This may result in a situation where the resale value of the home is less than the original purchase price.

##### A. Household Size

The household income applied in the Affordable Housing Cost is calculated based on the number of bedrooms in the unit plus one. For example, the imputed household size for a three-bedroom home is four persons. However, this is not meant to be an occupancy cap; it is simply a benchmark used to create a consistent Affordable Housing Cost methodology.

##### B. Benchmark Household Income

The following household income levels shall be used to calculate the benchmark household income for calculating Affordable Sales Prices:

1. Very-Low Income: The greater of (i) 50% of Area Median Income, or (ii) the "Very-Low Income" household income published by the State of California Department of Housing and Community Development for Contra Costa County, in each case for a household size equal to the number of bedrooms in the unit plus one.
2. Moderate Income: The greater of (i) 110% of Area Median Income, or (ii) the "Moderate Income" household income published by the State of California Department of Housing and Community Development for Contra Costa County, in each case for a household size equal to the number of bedrooms in the unit plus one.

#### C. Income Allocated to Housing Related Expenses

The Inclusionary Housing Ordinance allocates the following amount of the applicable household income to housing related expenses:

1. Very-Low Income: 35% of the benchmark household income.
2. Moderate Income: 35% of the benchmark household income.

#### D. Non-Mortgage Housing Related Expenses

Non-mortgage related expenses will be calculated based on standards defined by the City. The expenses and standards are:

1. Property Tax and Assessments: The tax rate applied to determine the annual property tax cost will be set at 1.15% of the purchase price of an inclusionary home.
2. Fire and Casualty Insurance: The Planning Director will estimate typical annual costs of insuring a comparable home/condominium for its replacement value by periodically surveying local insurance companies or from data provided by the Developer or the homeowner and reasonably acceptable to the City (e.g., quotes from insurance providers).
3. Utilities: The Planning Director will estimate an annual utility cost based on data published by the Housing Authority of Contra Costa County or data provided by the Developer or the homeowner and reasonably acceptable to the City (e.g., from energy modeling software or actual utility bills).
4. Homeowner Association Fees (HOA): The HOA fees are estimated to be \$500 per month, but will be set at the amount actually charged for the home being purchased. To the extent any of the expenses listed in items 1 through 3 above are included in the HOA fees, such expenses shall not be included separately in housing relating expenses.

#### E. Supportable Mortgage Amount

The Supportable Mortgage amount is determined based on the mortgage that can be supported given the income available after the other housing related expenses are paid. The mortgage interest rate used in the Affordable Sales Price calculation will be based on the interest rate set by Fannie Mae for 30-year, fully-amortizing, fixed-interest rate, no points, no fees loans. The interest rate used in the calculation will be the pertinent rate published in the Wall Street Journal for the last day of the quarter preceding the proposed home purchase,



F. Benchmark Down Payment

The Benchmark Down Payment used hereunder to establish the Affordable Sales Price is 20% of the Affordable Sales Price. The actual down payment amount will vary from unit-to-unit.

Inclusionary Housing Sales Price Calculation Worksheet

	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
<b>I. Moderate Income</b>				
Household Income - Moderate Income Household				
Income Allotted to Housing @ 35% of Income				
Ongoing Expenses				
Utilities, Insurance, & HOAs				
Property Taxes @ 1.15% of Affordable Price				
Total Expenses				
Income Available for Mortgage				
Affordable Housing Price				
Supportable Mtg @ ___% Interest				
Home Buyer Down Payment				
As % of Maximum Affordable Price	20%	20%	20%	20%
Dollar Amount				
<b>Maximum Affordable Price</b>				
<b>II. Very-low Income</b>				
Household Income - Very Low Income Household				
Income Allotted to Housing @ 35% Income				
Ongoing Expenses				
Utilities, Insurance, & HOAs				
Property Taxes @ 1.15% of Affordable Price				
Total Expenses				
Income Available for Mortgage				
Affordable Housing Price				
Supportable Mtg @ ___% Interest				
Home buyer Down Payment				
As % of Maximum Affordable Price	20%	20%	20%	20%
Dollar Amount				
<b>Maximum Affordable Price</b>				