

COUNTY OF VOLUSIA
HOUSING REHABILITATION FUNDING AGREEMENT
(Between County, Owner(s) and Contractor)

Owner Name: «Joined_Client_Names»

Project Address: «Project_Address»; «PA_City_St_Zip»

Date: «Closing_Date»

Contractor: «Contractor_Name»

The Owner, Contractor and County agree to the following terms and conditions of this Housing Rehabilitation Funding Agreement ("Funding Agreement"):

1. **Cost of Work:** The County agrees to commit \$«Bid_Amount» toward improvements of the Owner's real property. The commitment is based on the Construction Agreement between the Owner and Contractor, a copy of which is attached as Exhibit A to this Agreement.
2. **Source of funds:** The funds for the project are provided by federal and/or state grants for affordable housing made available to the County, including but not limited to, Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME) and State Housing Initiatives Partnership (SHIP) program. Grant regulations and restrictions apply to the project. The County has posted information about these grant funds on its website at www.volusia.org/contractorinfo
3. **Funds utilized:** The County will use the following federal and/or state grants for the project:
 - a. ☐ CDBG
 - b. ☐ HOME
 - c. ☒ SHIP
 - d. ☐ Other _____
4. **Mortgage Security Agreement and Mortgage Note:** The amount of the Mortgage Note is \$«Loan_Amount_in_Numbers», which includes the cost of the work in Paragraph 1, plus applicable costs associated with the title work and other closing costs. If, during the performance of the work, a change order is required which increases the price of the work and the County requests the Owner to sign a change order and modification to the mortgage documents, Owner shall not unreasonably refuse to execute the change order and modification. Based on the cost of the work and the applicable program criteria, the following type of mortgage note and security agreement applies:
 - ☐ Mortgage note and security agreement for repayment of 100% of the cost of the project recorded against the home for «Document_Term_in_years» years at 0% interest (assuming no default)
 - ☐ Mortgage note and security agreement for a term of «Document_Term_in_years» years at 0% interest, with all payments deferred as long as Owner is not in default of this Agreement or the terms of the mortgage note
 - ☐ Other (see terms of note and security agreement)
 - ☐ No mortgage note or security agreement applies as the funds are provided as a grant

Copies of the mortgage note and mortgage security agreement are attached hereto as Exhibit B-2.

5. **Loan Closing:** The anticipated date of closing for the mortgage and note is «Closing_Date», unless rescheduled by the County. The Owner shall attend in person. Work shall not commence until the closing has occurred. Owner must attend the closing in person with all persons necessary to execute documents and each person signing documents must have valid forms of required identification. If the funds are provided to the Owner as a grant, no loan closing shall be held.
6. **Funds distribution:** The County shall review and pay all approved invoices, pursuant to the draw schedule in the Scope of Work, directly to Contractor for work performed by the Contractor or other parties pursuant to this Agreement up to the amount listed in Paragraph 1 plus any fully executed change orders. The County may inspect the property to ensure that the work is completed in compliance with the final scope of work and any fully executed change orders prior to approving any invoices. In the event County rejects a draw request by the Contractor, County shall pay up to the undisputed amount and withhold payment for any incomplete or defective work until the work is corrected or completed. Owner shall have no obligation to pay the Contractor directly for work performed pursuant to the Construction Agreement between the Owner and Contractor.
7. **Inspections:** The County may inspect the property to ensure that the work is completed in compliance with the final scope of work and any fully executed change orders prior to approving any invoices and as may be necessary.
8. **Time for completion:** The project will commence on the date of the notice to proceed issued by the County. The Contractor shall ensure completion of construction within «Construction_Time» calendar days from the issuance of the permit by the authority having jurisdiction. Final project completion shall not exceed «Completion_Time» calendar days from completion of construction.
- The completion of construction is evidenced by the issuance of the certificate of occupancy or the finalized permit by the authority having jurisdiction. Final project completion is evidenced by the completion of construction, any punch list items identified by the County have been satisfied, demobilization and site restoration has occurred, and any warranties and full access to the property have been provided to the Owner.
- In no event shall the work commence unless and until the closing in Paragraph 5 above has occurred. The Contractor shall apply for the permit within 14 calendar days from the date of the notice to proceed; or within 30 calendar days of the notice to proceed if the project is a reconstruction. The time for completion may be extended by a fully executed written change order.
9. County shall not, under any circumstances be deemed to be in default of this Funding Agreement for Contractor's failure to commence or complete work by the time for completion.
10. **After rehabilitation value:** The project's estimated after rehabilitation value is \$«After_Rehabilitation_Value_in_numbers», which is less than:
- a. ☒ SHIP – Cannot exceed the maximum after rehabilitation value of \$225,000
 - b. ☐ HOME - Cannot exceed the maximum after rehabilitation value of \$143,000
 - c. ☐ CDBG – Does not apply

11. **Release of keys/warranties:** The County shall not release the keys, or advise the Contractor to provide warranties or other documentation related to the project, if the Owner is in default of any provision of this Agreement.
12. **Warranties:** All warranties shall be voided if the Owner violates any terms of the agreement.
13. **Monitoring:** The Owner shall make the property available at all times during the performance of this Agreement and during the mortgage security agreement term. County shall provide reasonable notice in advance of the site visit. From time to time, the federal or state agency providing funding may accompany County personnel on the site visit.
14. **Contractor Compliance with RSQ:** Contractor agrees that Contractor's failure to comply with all terms and requirements of RSQ# 17-SQ-34KW and ITB Work Order #«Bid_Number» is a material requirement of this Funding Agreement. If, in County's sole discretion, County determines that Contractor has breached the requirements of RSQ 17-SQ-34KW, County may notify the Contractor they are in default of this Funding Agreement and may withhold payment for labor and services provided by the Contractor unless and until Contractor cures the default.
15. **Contractor Default of Construction Agreement:**
- a. ☐ Contractors selected through the RSQ: Contractor agrees that Contractor's failure to comply with all terms and requirements of RSQ# 17-SQ-34KW is a material requirement of this Funding Agreement. If, in County's sole discretion, County determines that Contractor has breached the requirements of 17-SQ-34KW, County may notify the Contractor they are in default of this Funding Agreement and may withhold payment for labor and services provided by the Contractor unless and until Contractor cures the default.
 - b. ☐ Contractors not selected through the RSQ: Contractor agrees that this project is funded by federal and state grant programs and the contract may be governed by the supplemental conditions as noticed on the County's website at www.volusia.org/contractorinfo. The Contractor agrees to complete and return the forms required by the County to document compliance with certain grant requirements, including but not limited to the following forms:
 - ☐ Section 3 form
 - ☐ Women & Minority Reporting form
 - ☐ Other forms: _____
16. **Notice of Default:** In the event County determines Contractor is in default of the RSQ or the Construction Agreement, Owner and Contractor agree that County will issue a written notice of contractor default to the Owner and Contractor which shall specifically identify the reason for default and a demand to correct the act or omission causing the default. Contractor shall cure the default within ten (10) days of notice. If the default is not corrected within ten (10) days or if the nature of the default is such that it cannot be corrected (e.g. Contractor loses its license or goes out of business), Contractor will be required to cease work on the project and take all necessary steps to facilitate takeover of the project by a different contractor, who shall be selected by the County and /or Owner. In such event, the County shall withhold any payment for work already performed until the completing Contractor has finished the project and has been paid in full. Any costs incurred by the Owner / County to complete the project in excess of the value of the Construction Agreement between the Owner and Contractor shall be deducted from the balance owned Contractor at the time of default, if any.

17. **County as Guarantor:** County agrees that as long as Contractor and Owner are not in default of this Funding Agreement, the County of Volusia Housing Assistance Rehabilitation Agreement, the RSQ or the Construction Agreement, the County shall guarantee payment directly to the Contractor for any work performed by the Contractor in accordance with the Construction Agreement. County shall pay Contractor for any work performed pursuant to the Construction Agreement. In the event Owner breaches the terms of this Funding Agreement or the County of Volusia Housing Assistance Rehabilitation Agreement after Contractor commences work pursuant to the Construction Agreement but prior to completion and Owner fails to cure the breach, County may issue a notice to cease work. In such event, County shall pay Contractor for all work actually performed including reasonable amounts for overhead and profit.

The parties agree they have read the foregoing and by execution below agree to all terms and conditions.

HOME OWNER(S)

Signature of Owner #1

«Client_Name_1»

Print Name

Signature of Owner #2

«Client_Name_2»

Print Name

Signature of Owner #3

Print Name

STATE OF FLORIDA
COUNTY OF VOLUSIA

Before me personally appeared «Joined Client Names» who executed the foregoing instrument in my presence and is either personally known to me or provided _____ as identification.

Witness MY HAND and official seal this _____ day of _____, 2018.

Notary Signature

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Property address: «Project_Address»
 «PA_City_St_Zip»

CONTRACTOR

Signature of Contractor

Print Name

Title:

STATE OF FLORIDA
COUNTY OF VOLUSIA

Before me personally appeared _____ who executed the foregoing instrument in my presence and is either personally known to me or provided _____ as identification.

Witness MY HAND and official seal this _____ day of _____, 2018.

Notary Signature

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«Project_Address»

«PA_City_St_Zip»

COUNTY OF VOLUSIA

Dona D. Butler, Director
Community Services Department

STATE OF FLORIDA
COUNTY OF VOLUSIA

Before me personally appeared Dona D. Butler who executed the foregoing instrument in my presence and is personally known to me.

Witness MY HAND and official seal this _____ day of _____, 2018.

Notary Signature

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