MEMORANDUM

Agenda Item No. 11(A)(12)

TO:	Honorable Chairwoman Rebeca Sosa and Members, Board of County Commissioners	**DATE:**	December 3, 2013
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	Resolution authorizing the conveyance of four properties in West Perrine to Habitat for Humanity to be used as affordable housing; authorizing execution of Community Development Block Grant contract

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Dennis C. Moss.

R. A. Cuevas, Jr.
County Attorney

RAC/smm

/

MEMORANDUM
(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: December 3, 2013

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 11(A)(12)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Mayor's report for public hearing**

_____ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(12)
12-3-13

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE CONVEYANCE OF FOUR PROPERTIES IN WEST PERRINE TO HABITAT FOR HUMANITY TO BE USED AS AFFORDABLE HOUSING; AUTHORIZING EXECUTION OF COMMUNITY DEVELOPMENT BLOCK GRANT CONTRACT; AUTHORIZING NON-SUBSTANTIAL AMENDMENT TO BE FILED WITH UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, the County accepted from West Perrine Community Development Corporation the conveyance of four (4) properties located in West Perrine, Miami-Dade County, and further described in Exhibit "A" (the "Four Properties") as part of an Exchange Agreement between the County, West Perrine Community Development Corporation, and Quail Roost Station P-4, LLC, pursuant to Resolution No. R-692-08; and

WHEREAS, prior to conveying the Four Properties to the County as part of the exchange described above, West Perrine Community Development Corporation ("West Perrine CDC") constructed a single-family home on each of the Four Properties; and

WHEREAS, as part of the due diligence conducted by the County in preparation for the exchange of properties effectuated by Resolution No. R-692-08, the County conducted an analysis of purchase and construction financing (attached as Exhibit D to Resolution No. R-692-08), which analysis gave the County reasonable assurance that the Four Properties were not acquired or improved by West Perrine CDC with County funds but rather were acquired and improved using private loans; and

WHEREAS, the Board required as part of the exchange of properties described in Resolution No. R-692-08 that the Four Properties be sold to eligible homebuyers as defined by rules for eligibility established by the United States Department of Housing and Urban

Development ("U.S. HUD"), which means qualified homebuyers of incomes less than eighty percent (80%) of area median income ("AMI") ; and

WHEREAS, the County shall use the affordability requirements set forth by U.S. HUD and as set forth in 24 CFR Part 570 and Florida Statutes, Section 420.0004(8), (10), or (15), and the properties shall ultimately be sold to low-income individuals and families whose incomes are not greater than eighty percent (80%) of AMI; and

WHEREAS, in Resolution No. R-1068-09, the County added the Four Properties to the County's inventory list of real property held by the County in fee simple that is appropriate for use as affordable housing, as required by Florida Statutes, Section 125.379, and authorized the sale of the Four Properties to eligible low-income homebuyers; and

WHEREAS, the County has been unable to find interested, eligible homebuyers for the Four Properties; and

WHEREAS, during the time which the County has held the Four Properties, the Four Properties have been vandalized and now require were further rehabilitation and repairs; and

WHEREAS, Habitat for Humanity has expressed an interest in the Four Properties and has identified funding from sources other than Miami-Dade County which Habitat for Humanity can use to rehabilitate the Four Properties and sell them to low-income homebuyers; and

WHEREAS, the Board finds it is in the best interest of the County to convey the Four Properties to Habitat for Humanity so that they may be sold and ultimately used for the benefit of low-income persons and families,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The Board ratifies and adopts the matters set forth in the foregoing recitals.

Section 2. The Board hereby authorizes the conveyance of the four single-family home sites (the "Four Properties") described more fully in Exhibit "A" hereto to Habitat for Humanity of Greater Miami, Inc. ("Habitat for Humanity"), a not-for-profit corporation, for zero dollars ($0) to be rehabilitated or developed and sold as affordable housing pursuant to Florida Statutes, Section 125.379. The Four Properties shall each be sold to individuals or families which meet the requirements of the Community Development Block Grant program, and this project shall meet the national objective of benefiting low- to moderate-income individuals and families ("LMI") whose incomes are not greater than eighty percent (80%) of area median income ("AMI"), as determined by the United States Department of Housing and Urban Development.

Section 3. The County Mayor or County Mayor's designee is authorized to execute with Habitat for Humanity the County's standard shell contract for the Community Development Block Grant program, which shall be negotiated and modified for this project at the discretion of the County Mayor or County Mayor's designee. Such modifications shall include the ability for Habitat for Humanity to convey back to the County any or all of the Four Properties in the event that Habitat for Humanity determines that they are unable to comply with the contract. Such conveyance back to the County shall be contingent upon the County ensuring that no significant liens, encumbrances, or physical waste or other damage has occurred on the relevant property which could cause the County to incur liability. The County Mayor or County Mayor's designee is further authorized to file with United States Department of Housing and Urban Development a non-substantial amendment as necessary in order to fulfill the purposes set forth in this resolution.

Section 4. Pursuant to Section 125.411, Florida Statutes, this Board authorizes the Chairperson to execute a County Deed, in substantially the form attached hereto and made a part

hereof as Exhibit "B", for each of the Four Properties to be conveyed. Each deed shall contain an automatic reverter whereby each of the Four Properties shall revert back to the County in the event Habitat for Humanity fails to rehabilitate the home on the property within two years, unless a waiver is granted by the County Mayor or County Mayor's designee, or if the Four Properties are not sold to and used as the primary residence of individuals or families whose incomes do not exceed eighty percent (80%) area median income (established at the time of conveyance) within three years. Habitat for Humanity will use its own funds to do necessary repairs and rehabilitation to the homes on the Four Properties and sell them to income-qualified individuals or families. Habitat for Humanity shall have ninety (90) days to conduct a due diligence investigation on the Four Properties, and the conveyance of the Four Properties shall be contingent upon a determination by Habitat for Humanity that there are no liens, major structural problems or other encumbrances on the Four Properties which would make Habitat for Humanity's use of the properties impracticable. The title search and inspection of the Four Properties shall be paid and executed by Habitat for Humanity. Following rehabilitation of the Four Properties, Habitat for Humanity shall cause the new, income-eligible homebuyers to execute the County's affordable housing restrictive covenant in substantially the form attached hereto as Exhibit C.

Section 5. The Board directs the County Mayor or County Mayor's designee, pursuant to Resolution No. R-974-09, to record in the public record all deeds, covenants, reverters and mortgages creating or reserving a real property interest in favor of the County and to provide a copy of such recorded instruments to the Clerk of the Board within thirty (30) days of execution and final acceptance. The Board directs the Clerk of the Board, pursuant to Resolution No. R-974-09, to attach and permanently store a recorded copy of any instrument provided in accordance herewith together with this resolution.

The Prime Sponsor of the foregoing resolution is Commissioner Dennis C. Moss. It was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Rebeca Sosa, Chairwoman
Lynda Bell, Vice Chair

Bruno A. Barreiro	Esteban L. Bovo, Jr.
Jose "Pepe" Diaz	Audrey M. Edmonson
Sally A. Heyman	Barbara J. Jordan
Jean Monestime	Dennis C. Moss
Sen. Javier D. Souto	Xavier L. Suarez
Juan C. Zapata	

The Chairperson thereupon declared the resolution duly passed and adopted this 3rd day of December, 2013. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Brenda Kuhns Neuman

Exhibit "A"

Address	Folio No.	Legal Description	2013 Property Appraiser Appraised Value
10230 SW 173 TER	30-5032-010-0640	32 55 40 DIXIE HGTS GARDENS PB 21-32 LOTS 9 & 10 BLK 5 LOT SIZE 50.000 X 111 COC 26486-4232 07 2008 3 OR 26486-4232 0708 01	$67,655
10356 SW 173 TER	30-5032-010-0850	32 55 40 DIXIE HGTS GARDENS PB 21-32 LOTS 11 & 12 BLK 6 LOT SIZE 50.000 X 111 OR 17781-3115 0897 6 (54) COC 26486-4226 07 2008 3	$68,286
17585 SW 105 AVE	30-5032-021-0010	32 55 40 PB 71-14 PERRINE EDMOR SUB 1ST ADDN LOT 8 LOT SIZE 78.960 X 142 OR 17781-3115 0897 6 (54) COC 26486-4230 07 2008 3	$73,995
17602 SW 105 AVE	30-5032-022-0030	32 55 40 PB 71-33 PERRINE EDMOR SUB 2ND ADDN LOT 13 LOT SIZE 91.280 X 136 OR 17781-3115 0897 6 (54) COC 26486-4228 07 2008 3	$87,135

Exhibit "B"
Deed

Instrument prepared under the direction of
Brenda Kuhns Neuman, Assistant County Attorney
111 N.W. 1 Street, Suite 2810
Miami, Florida 33128-1907

Folio No: See Exhibit "A"

COUNTY DEED

THIS DEED, made this ____day of _____, 2013, by **MIAMI-DADE COUNTY, a Political Subdivision of the State of Florida**, party of the first part, whose address is: Stephen P. Clark Center, 111 N.W. 1 Street Suite 17-202, Miami, Florida 33128-1963, and **HABITAT FOR HUMANITY OF GREATER MIAMI, INC., a not-for-profit corporation**, party of the second part, whose address is 3800 NW 22nd Ave., Miami, Florida 33142 :

***WITNESSETH*:**

That the said party of the first part, for and in consideration of the sum of Ten Dollars and No/100 ($10.00) to it in hand paid by the party of the second part, receipt whereof is hereby acknowledged, has granted, bargained, and sold to the said party of the second part, his/her heirs and assigns forever, the following described land lying and being in Miami-Dade County, Florida (the "Property"):

See Attached Exhibit "A"

THIS CONVEYANCE IS SUBJECT TO all zoning, rules, regulations and ordinances and other prohibitions imposed by any governmental authority with jurisdiction over the Property; existing public purpose utility and government easements and rights of way and other matters of record; taxes for the year of closing and subsequent years and the following restrictions:

1. That the Property shall be rehabilitated and used as affordable housing, as defined by and in accordance with Florida Statutes, Section 420.0004(3) and the federal Community Development Block Grant Program, and the Property shall be resold to and occupied by individuals or families whose incomes do not exceed eighty percent (80%) of area median income ("AMI") as determined by the United States Department of Housing and Urban Development. In the event Party of the Second Part fails to rehabilitate and develop the home on the Property in the manner described herein, title shall automatically revert to the Party of the First Part as a matter of law and pursuant to this reverter clause.

2. That the Property shall be rehabilitated or developed with affordable housing within two (2) years of the recording of this deed, as evidenced by the issuance of a final Certificate of Occupancy, and shall be sold to a qualified low-income buyer within three (3) years of the recording of this deed. In the event Party of the Second Part fails to complete the rehabilitation or development of the home within two (2) years of the recording of this deed or fails to sell the rehabilitated or developed home to a qualified low-income buyer within three (3) years of the recording of this deed, title shall automatically revert to the Party of the First Part as a matter of law and pursuant to this reverter. Notwithstanding, Party of the First Part may, in its sole discretion, waive this reverter condition if Party of the First Part finds it necessary to extend the time frame in which Party of the Second Part must complete the home. Such waiver by Party of the First Part, to be effective must (i) be given prior to the event of the reverter, and (ii) shall be evidenced by the preparation of a letter executed by the County Mayor or County Mayor's designee giving such waiver and specifying the new time frame in which Party of the Second Part must complete the home. The letter by Party of the First Part shall be recorded and shall be conclusive evidence

upon which any party may rely that the condition of the reverter has been extended to such date as specified in said waiver. If no waiver is recorded and a certificate of occupancy is not issued within two (2) years from the date of the recording of this deed, any party may rely upon the fact that the reverter has occurred and that title has reverted to Party of the First Part.

3. That the affordable housing developed on the property shall be sold at an amount so as to be "Affordable" as set forth in 24 C.F.R. Part 570 and as described in Florida Statutes, Sections 420,0004(3) to a qualified household, as defined in Florida Statutes, Sections 420,0004, subsections (8), (10) or (15). In the event Party of the Second Part fails to sell the home to a qualified household or sells the home above the amount which is "Affordable", as described herein, title shall automatically revert to the Party of the First Part as a matter of law and pursuant to this reverter clause, and by such reverter to the Party of the First Part, Party of the Second Part shall forfeit all monetary investments and improvements without any compensation or right to compensation whatsoever.

Party of the Second Part shall require that the qualified household purchasing the eligible home execute and record simultaneously with the deed of conveyance the County's "Affordable Housing Restrictive Covenant;" and include the following language in the deed of conveyance:

"This property is subject to an "Affordable Housing Restrictive Covenant" recorded simultaneously herewith, which states that the property shall remain affordable during the "Control Period." The "Control Period" commences on the initial sale date of the eligible home, which is the date the deed is recorded transferring title from the developer to the first qualified household, and resets automatically every 20 years for a maximum of 60 years. In the event Grantee wishes to sell or refinance the home during the Control Period, Grantee shall obtain prior written approval from the County. Any such sale, transfer or conveyance, shall only be to a qualified household as defined in 24 C.F.R. Part 570 and Florida Statutes, Sections 420,0004, subsections (8), (10) or (15) at or below the maximum sales price as calculated in the restrictive covenant. Should Grantee own this home for twenty consecutive years, Grantee shall automatically be released from the Affordable Housing Restrictive Covenant."

Party of the Second Part (or Successor in Interest), shall pay real estate taxes and assessments on the property or any part thereof when due. Party of the Second Part shall not suffer any levy or attachment to be made, or any material or mechanic's lien, or any unauthorized encumbrance or lien to attach, provided, however, that Party of the Second Part may encumber the property with:

a) Any mortgage(s) in favor of any institutional lender for the purpose of financing any hard costs or soft costs relating to the rehabilitation or construction of the single family home in an amount(s) not to exceed the value of the Improvements as determined by an appraiser; and
b) Any mortgage(s) in favor of any institutional lender refinancing any mortgage of the character described in clause a) hereof; in an amount(s) not to exceed the value of the Improvements as determined by an appraiser.

The recordation, together with any mortgage purporting to meet the requirements of clauses (a) or (b) above, of a statement of value by a Member of the American Institute of Real Estate Appraisers (MAI), (or member of any similar or successor organization), stating the value of the single family home is equal to or greater than the amount of such mortgages(s), shall constitute conclusive evidence that such mortgage meets such requirements, and that the right of any reverter hereunder shall be subject to and limited by, and shall not defeat, render invalid, or limit in any way, the lien of such mortgage. For purposes of this paragraph an "institutional lender" shall mean any bank, savings and loan association, insurance

company, foundation or other charitable entity, real estate or mortgage investment trust, pension funds, the Federal National Mortgage Association, agency of the United States Government or other governmental agency. In any event, the term "Institutional lender" shall be deemed to include Miami-Dade County and its respective successors and assigns.

Upon receiving proof of compliance with all the deed restrictions listed above, the County shall furnish the Party of the Second Part an appropriate instrument acknowledging satisfaction with all deed restrictions listed above. Such satisfaction of deed restrictions shall be in a form recordable in the Office of the Clerk of the Circuit Court of Miami-Dade County, Florida.

In the event the Party of the Second Part, its successors or assigns, shall violate or otherwise fail to comply with any of the restrictions and covenants set forth herein, the Party of the Second Part, its successors or assigns, shall correct or cure the default/violation within (30) days of notification of the default by the County. If the party of the Second Part, its successors or assigns, fails to remedy the default within thirty (30) days, the County shall have the right to re-enter and take possession of the property and to terminate and revest in the County the estate conveyed by this Deed to the Party of the Second Part, its successors or assigns, and by such reverter to the County, the Party of the Second Part shall forfeit all monetary investments and improvements without any compensation or right to compensation whatsoever; provided, that any such right of re-entry shall always be subjected to and limited by, and shall not defeat, render invalid, or limit any way the lien of any valid mortgage or Deed or Trust permitted by this Deed.

This grant conveys only the interest of the County and its Board of County Commissioners in the property herein described and shall not be deemed to warrant the title or to represent any state of facts concerning the same.

IN WITNESS WHEREOF the said party of the first part has caused these presents to be executed in its name by its Board of County Commissioners acting by the Mayor of said Board, the day and year aforesaid.

(OFFICIAL SEAL)

ATTEST:

HARVEY RUVIN, CLERK

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Mayor

Approved for legal sufficiency _____

The foregoing was authorized by Resolution No. _____ approved by the Board of County Commissioners of Miami-Dade County, Florida, on the _____day of _____, 20___.

Exhibit "C"
Restrictive Covenant

MIAMI-DADE COUNTY
Delivering Excellence Every Day
Public Housing and Community Development
Community Development Block Grant Program
701 NW 1st Court, 14th Floor
Miami, Florida 33136
Attn: Director
Main Number: (786) 469-2100

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
AFFORDABLE HOUSING RESTRICTIVE COVENANT FOR HOMEBUYERS

THIS AFFORDABLE HOUSING RESTRICTIVE COVENANT ("Covenant") is made this ____day of _____, 200__, by _____, (hereinafter referred to as the "Owner"), in favor of Miami Dade County, a political subdivision of the State of Florida (hereinafter referred to as "County").

WHEREAS, the Owner holds title to certain property located at _____(address), and legally described in Exhibit "A," (the "Property"), attached hereto and made a part hereof by this reference; and

WHEREAS, the Property was acquired, rehabilitated or otherwise improved as affordable housing for low- or moderate-income households in accordance with the County's Community Development Block Grant ("CDBG") Program (the "Program" or "CDBG Program"); and

WHEREAS, pursuant to the Program, eligible homebuyers are given the opportunity to purchase residential property at terms more favorable than what is available in the private marketplace, such as lower purchase price or financing at zero or low-interest rates, if the Owner agrees to certain use and transfer restrictions, including an agreement to occupy the property as a principal residence and to convey the property for an amount not greater than the maximum resale price, all as more fully provided herein; and

WHEREAS, in order to qualify for such participation in the Program and acquire the Property, the Owner hereby makes the following binding commitments to ensure that the Owner, any subsequent owner, and the Property complies with the requirements of the Program;

NOW, THEREFORE, for consideration of ten dollars ($10.00) and other good and valuable consideration which the owner acknowledges, the Owner, including his/her/their heirs, successors and assigns, hereby agrees that the Property shall be subject to the following rights and restrictions which are imposed for the benefit of, and shall be enforceable by and through its designated agency.

1. **Definitions**. In this Covenant, in addition to the terms defined above, the following words and phrases shall have the following meanings:

Affordable means where the mortgage payment, including taxes and insurance, does not exceed thirty (30%) percent of the amount which represents the percentage of the median annual gross income for low and moderate income households. However, it is not the intent to

limit an individual household's ability to devote more than thirty (30%) percent of its income for housing, and housing for which a household devotes more than thirty (30%) percent of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the thirty (30%) percent benchmark.

Capital Improvements means the documented commercially reasonable cost of structural improvements made to the Property by the Owner which increase the total square footage of the home.

Certificate of Qualification means a certificate issued by the County or a designated non-County agency that has been authorized by the County to qualify households, establishing that a household is qualified to purchase an affordable dwelling unit. Certificates of Qualification shall be valid for twelve (12) months.

Compliance Certificate shall have the meaning set forth in Section 6(a) hereof.

Control Period or Term means the 20-year period during which the eligible home must remain affordable. The control period begins on the initial sale date of the eligible home and resets automatically every twenty (20) years for a maximum of sixty (60) years, except that in the event the home is owned by the same owner for an entire 20-year period, said home shall be released from the affordability restrictions contained in this covenant.

Dwelling Unit means a unit, whether detached, semi-attached or attached to another such unit, that houses a single family and that can be sold in fee simple ownership.

Eligible Housing or Eligible Home means any dwelling unit that is: (i) purchased in accordance with the Program, and (ii) used as the primary residence of a qualified household.

Eligible Purchaser means one or more natural persons or a family that has obtained a first-time homebuyer counseling certificate within the past twelve (12) months; has been determined by the County to meet the eligibility requirement of a low income or moderate income household with income not exceeding eighty percent (80%) of AMI according to the CDBG Program as well as the Housing and Economic Recovery Act of 2008, based upon the annual gross income of the household; and that said purchaser has received a Certificate of Qualification.

Low- to Moderate-Income Household means those households whose total annual adjusted gross income is equal to or less than eighty percent (80%) of the median annual adjusted gross income for households within the metropolitan statistical area (MSA) or, if not within an MSA, within Miami-Dade County, whichever is greater as defined by the United States Department of Housing and Urban Development (HUD).

Maximum Resale Price means that at the time the Owner sells the Property the purchase price for the Property shall be calculated by taking into account the sum of (i) the current area median income for the Metropolitan Area of Miami-Dade County as published by HUD multiplied by the resale price multiplier, as defined herein, including (ii) capital improvements, if any. However, in no event shall the Maximum Resale Price be greater than the purchase price for which a credit-worthy Eligible Household earning eighty percent (80%) of the Area Median Income, as required by the Program for an eligible household to obtain mortgage financing (as such purchase price is determined by County), and further provided that the Maximum Resale Price shall not be less than the purchase price paid for the Property by the Owner unless the Owner agrees to accept a lesser price.

CDBG means the Community Development Block Grant Program, a federal program established pursuant to 42 USCA 5301 et seq., administered by the United States Department

of Housing and Urban Development ("HUD") and operated by the County.

Resale Price Multiplier means the number calculated by dividing the Property's initial sale price from the County to the Owner by the HUD Area Median Income for the Metropolitan Area of Miami-Dade County at the time of sale. A resale price multiplier of _____is hereby assigned to this Property.

Resale Price Multiplier Calculation:

Original Purchase Price _____.00:	$_____.00
Current HUD Area Median Income	$_____.00
Resale Price Multiplier	_____

Term. The Term of this Covenant shall be for a period of twenty (20)years, commencing on the date the Owner takes title ownership to the Property. The Term of this Covenant shall remain uninterrupted with the Property for twenty (20) years. Should the Owner elect to sell, convey or otherwise transfer the Property to another person or Eligible Purchaser, prior to the expiration of the Term, then the Term of this Covenant shall begin anew automatically for another twenty (20) year period, and such subsequent owner shall be responsible for complying with any and all restrictions found in this Covenant for an entire twenty (20) year period. Also, any and all subsequent or successive owners shall be likewise responsible for complying with all of the terms and conditions of this Covenant until either an owner has occupied the Property for an entire Term, or a period of sixty (60) years has expired.

2. **Owner-Occupancy/Principal Residence.** The Property shall be occupied and shall be used by the Owner's household exclusively as his, her or their principal residence. Any use of the Property or activity thereon which is inconsistent with such exclusive residential use is expressly prohibited.

3. **Restrictions Against Leasing, Refinancing and Junior Encumbrances**. The Property shall not be leased, rented, refinanced, encumbered (voluntarily or otherwise) or mortgaged without the prior written consent of County; provided, however, this provision shall not apply to a first mortgage granted on the date of the delivery of the deed in connection with the conveyance of the Property from the County to the Owner securing indebtedness not greater than one hundred percent (100%) of the purchase price. Any rents, profits, or proceeds from any transaction described in the preceding sentence which transaction has not received the requisite written consent of County shall be paid upon demand by Owner to County and treated as program income in accordance with CDBG guidelines. The County may institute proceedings to terminate such lease or rental agreement and to recover such rents, profits or proceeds, and costs of collection, including attorneys' fees and costs of litigation. Upon recovery, after payment of costs, the balance of any profits or proceeds shall be paid to the County for its appropriate use, and deposited in an account in accordance with CDBG guidelines. The County may institute proceedings to terminate any type of refinancing, encumbrance and/or mortgage placed on the Property without the County's prior written permission to do so. In the event that County consents for good cause to any lease, refinancing, encumbrance or mortgage, it shall be a condition to such consent that all rents, profits or proceeds from such transaction, which exceeds the actual carrying costs of the Property, as determined by County, shall be paid to County for deposit in accordance with CDBG guidelines.

4. **Notice of Sale**. Whenever an Owner desires or elects to sell, convey or transfer the Property the following steps must be followed by the Owner and the County.

(a) When the Owner or any successor in title to the Owner shall desire to sell, convey or otherwise transfer the Property, or any portion thereof, the Owner shall notify County in writing of the Owner's intent to sell, convey or transfer the Property (the "Notice of Sale"). The Owner

shall send its Notice of Sale to the County by either mailing it certified or registered mail, postage pre-paid, or by a nationally recognized courier service (such as FedEx or DHL), to the following address: Director, Department of Public Housing and Community Development, 701 1st Court, 14th Floor, Miami, Florida 33136, with a copy to the County Attorney's Office, 111 N.W. 1st Street, 28th Floor, Miami, Florida 33128. Upon the County's receipt of the Notice of Sale, the County shall notify the Owner of the date the Notice of Sale was received. Afterwards, County shall calculate the Maximum Resale Price which the Owner may receive for the sale of the Property based upon the average rate of real property appreciation for the Metropolitan Statistical Area (MSA) during the period the home was owned by the current Owner plus any documented capital improvements as defined herein.

(b) County shall have sixty (60) days from receiving the Notice of Sale from the Owner to enter into a purchase and sale agreement for the Property at or below the Maximum Resale Price or provide the Owner with written notification of the County's intent to waive its right of first refusal.

(c) Should County elect not to acquire the Property by exercising its right of first refusal, the County shall assist the Owner in identifying an Eligible Purchaser for the Property ready, willing and able to purchase the Property at or below the Maximum Resale Price. Owner shall fully cooperate with County's efforts in assisting Owner to locate an Eligible Purchaser, and, if requested by County, the Owner shall hire a broker acceptable to County to assist in locating an Eligible Purchaser.

(d) Should Owner be unable to identify an Eligible Purchaser within one hundred twenty (120) days of County receiving the Notice of Sale, the Owner shall have the right to require County purchase the property at or below the Maximum Resale Price, provided the Owner has made a good faith effort to sell the property to an Eligible Purchaser, which conveyance shall include agreeing to reasonable terms and conditions in a purchase and sale agreement. The County, at its sole discretion, shall have the right to extend the one hundred twenty (120) day period if in the opinion of County the Owner has not made a good faith effort to sell the Property, or has not cooperated with County in selecting an Eligible Purchaser.

(e) Nothing in this Covenant constitutes a promise, commitment or guarantee by the County that upon resale the Owner shall actually receive the Maximum Resale Price for the Property or any other specific or pre-determined price for the Property.

(f) The holder of the first mortgage on the Property is not obligated to forbear from exercising the rights and remedies under its mortgage, at law or in equity, after delivery of the Notice of Sale.

5. **Delivery of Deed.** In connection with any conveyance pursuant to an option to purchase as set forth in Section 4 above, the Property shall be conveyed by the Owner to the selected purchaser by a valid and sufficient deed conveying a good and clear record and marketable title to the Property free from any and all encumbrances except (i) such taxes for the then current year as are not due and payable on the date of delivery of the deed, (ii) any lien for municipal betterments assessed after the date of the Notice of Sale, (iii) provisions of local building and zoning laws, (iv) all easements, restrictions, covenants and agreements or record specified in the deed from the Owner to the selected purchaser, (v) such additional easements, restrictions, covenants and agreements of record, including, but not limited to this Covenant. The deed shall specifically provide that the Property is subject to this Covenant and shall reference the Official Record Book and Page number of this recorded Covenant. Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to the subsequent purchaser or the enforceability of the restrictions herein.

6. **Resale and Transfer Restrictions:** (a) Except as otherwise provided herein, the Property or any interest therein shall not at any time be sold, transferred or conveyed by the Owner, or the Owner's successors, and no attempted sale, conveyance or transfer shall be valid, unless: (1) the Owner has delivered its Notice of Sale to the County; (2) the aggregate value of all consideration and payments of every kind given or paid by the selected purchaser of

the Property for and in connection with the transfer of such Property, is equal to or less than the Maximum Resale Price for the Property; (3) unless a certificate (the "Compliance Certificate") is obtained and recorded, signed and acknowledged by County, which Compliance Certificate refers to the Property, the Owner, the selected purchaser thereof, and the Maximum Resale Price therefore, and states that the proposed conveyance, sale or transfer of the Property to the subsequent purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Covenant.

(b) The Owner, any good faith purchaser of the Property, any lender or other party taking a security interest in such Property and any other third party may rely upon a Compliance Certificate as conclusive evidence that the proposed conveyance, sale or transfer of the Property to the selected purchaser is in compliance with the rights, restrictions, covenants and agreements contained in this Covenant, and may record such Compliance Certificate in connection with the conveyance of the Property.

(c) Within ten (10) days of the closing of the conveyance of the Property from the Owner to the subsequent purchaser, the Owner shall deliver to County a copy of the deed of the Property, a copy of the Declaration of Restriction signed by the subsequent purchaser, together with the recording information. Failure of the Owner, or Owner's successors to comply with the preceding sentence shall not affect the validity of such conveyance or the enforceability of the restrictions herein.

7. **Discrimination.** The Owner shall not discriminate against any person in the exercise of its obligations under this Covenant and all such actions shall be taken without regard to race, age, religion, color, gender, sexual orientation, national origin, marital status, physical or mental disability, political affiliation, or any other factor which cannot be lawfully, used.

8. **Survival of Restriction Upon Exercise of Remedies by Mortgagees.** (a) The holder of record of any mortgage on the Property (each, a "Mortgagee") shall notify County and any senior Mortgagee(s) in the event of any default for which the Mortgagee intends to commence foreclosure proceedings or similar remedial action pursuant to its mortgage (the "Foreclosure Notice"), which notice shall be sent to County as set forth in this Covenant. Such notice shall be sent to the County by either mailing it certified or registered mail, postage pre-paid, or by a nationally recognized courier service (such as FedEx or DHL), to the following address: Director, Department of Public Housing and Community Development, 701 1st Court, 14th Floor, Miami, Florida 33136, with a copy to the County Attorney's Office, 111 N.W. 1st Street, 28th Floor, Miami, Florida 33128. and, if applicable, to the senior Mortgagee(s) as set forth in such senior Mortgagee's mortgage, not less than one hundred twenty (120) days prior to the institution of any foreclosure action or before the acceptance of a deed in lieu of foreclosure. In addition, the Owner expressly agrees to immediately deliver to the County any type of Foreclosure Notice and/or documents relating to the institution of any foreclosure proceeding and/or any other communications and disclosures made by any Mortgagee regarding the Property pursuant to this Covenant.

(b) The Owner grants to the County the right and option to purchase the Property upon receipt by the County of any Foreclosure Notice. In the event that the County intends to exercise its option, the County or its designee shall acquire the Property within one hundred twenty (120) days of receipt of such foreclosure notice, at a price equal to the greater of (i) the sum of the outstanding principal balance of the note secured by such foreclosing Mortgagee's mortgage, together with the outstanding principal balance(s) of any note(s) secured by mortgages senior in priority to such mortgage (but in no event shall the aggregate amount thereof be greater than one hundred (100%) percent of the Maximum Resale Price calculated at the time of the granting of the mortgage) plus all future advances, accrued interest and all reasonable costs and expenses which the foreclosing Mortgagee and any senior Mortgagee(s) are entitled to recover pursuant to the terms of such mortgages (the "Mortgage Satisfaction

Amount"), and (ii) the Maximum Resale Price (which for this purpose may be less than the purchase price paid for the Property by the Owner) (the greater of (i) and (ii) above herein referred to as the "Applicable Foreclosure Price"). The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, building code violations, public assessments, any and all unpaid federal or state or local taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over such foreclosing Mortgagee's mortgage, and further subject to a declaration of restrictions identical in form and substance to this Covenant which the Owner hereby agrees to execute, to secure execution by the County or its designee, and to record with the deed, except that (i) during the term of ownership of the Property by the County or its designee the owner-occupancy requirements of Section 2 hereof shall not apply (unless the designee is an Eligible Purchaser), and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by the County or its designee, but not greater than the Applicable Foreclosure Price. Said deed shall clearly state that it is made subject to this Covenant and shall reference the Official Record Book and Page number of this recorded Covenant. Failure to comply with the preceding sentence shall not affect the validity of the conveyance from the Owner to the County or its designee or the enforceability of the restrictions herein.

(c) Not earlier than one hundred twenty (120) days following the delivery of the Foreclosure Notice to County and any senior Mortgagee(s) pursuant to subsection (a) above, the foreclosing Mortgagee may conduct the foreclosure sale or accept a deed in lieu of foreclosure. The Property shall be sold and conveyed in its then-current "as is, where is" condition, without representation or warranty of any kind, direct or indirect, express or implied, and with the benefit of and subject to all rights, rights of way, restrictions, easements, covenants, liens, improvements, housing code violations, public assessments, any and all unpaid federal or state or local taxes (subject to any rights of redemption for unpaid federal taxes), municipal liens and any other encumbrances of record then in force and applicable to the Property having priority over the foreclosing Mortgagee's mortgage, and further subject to a Restriction, as set forth above.

(d) In the event that the foreclosing Mortgagee conducts a foreclosure sale or other proceeding enforcing its rights under its mortgage and the Property is sold for a price in excess of the greater of the Maximum Resale Price and the Mortgage Satisfaction Amount, such excess shall be paid to the County for deposit in accordance with CDBG guidelines after (i) a final judicial determination, or (ii) a written agreement of all parties who, as of such date hold (or have been duly authorized to act for other parties who hold) a record interest in the Property, that the County is entitled to such excess. The legal costs of obtaining any such judicial determination or agreement shall be deducted from the excess prior to payment to the County. To the extent that the Owner possesses any interest in any amount which would otherwise be payable to the County under this paragraph, to the fullest extent permissible by law, the Owner hereby assigns its interest in such amount to the Mortgagee for payment to the County.

(e) If any Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, then the rights and restrictions contained herein shall apply to such Mortgagee upon such acquisition of the Property and to any purchaser of the Property from such Mortgagee, and the Property shall be conveyed subject to this Covenant, except that (i) during the term of ownership of the Property by such Mortgagee the owner-occupancy requirements of Section 2 hereof shall not apply, and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by such Mortgagee at the foreclosure sale, but not greater than the Applicable Foreclosure Price. Said deed shall clearly state that it is made subject to this Covenant and shall reference the Official Record

Book and Page number of the recorded covenant. Failure to comply with the preceding sentence shall not affect the validity of the conveyance to the Mortgagee or the enforceability of the restrictions herein.

(f) If any party other than a Mortgagee shall acquire the Property by reason of foreclosure or upon conveyance of the Property in lieu of foreclosure, the Property shall be conveyed subject to this Covenant except that (i) if the purchaser at such foreclosure sale or assignee of a deed in lieu of foreclosure is an Ineligible Purchaser, then during the term of ownership of the Property by such Ineligible Purchaser, the owner-occupancy requirements of Section 2 hereof shall not apply, and (ii) the Maximum Resale Price shall be recalculated based on the price paid for the Property by such third party purchaser at the foreclosure sale, but not greater than the Applicable Foreclosure Price. Said deed shall clearly state that it is made subject to this Covenant and shall reference the Official Record Book and Page number of this recorded Covenant. Failure to comply with the preceding sentence shall not affect the validity of the conveyance to such third party purchaser or the enforceability of the restrictions herein.

(g) Upon satisfaction of the requirements contained in this Section 8, County shall issue a Compliance Certificate to the foreclosing Mortgagee which, upon recording in the Registry, may be relied upon as provided in Section 6(b) hereof as conclusive evidence that the conveyance of the Property pursuant to this Section 8 is in compliance with the rights, restrictions, covenants and agreements contained in this Restriction.

(h) The Owner understands and agrees that nothing in this Covenant constitutes a promise or guarantee by the County that the Mortgagee shall actually receive the Mortgage Satisfaction Amount, the Maximum Resale Price for the Property or any other price for the Property, or (ii) impairs the rights and remedies of the Mortgagee in the event of a deficiency.

(i) If a Foreclosure Notice is delivered after the delivery of a Conveyance Notice as provided in Section 4(a) hereof, the procedures set forth in this Section 8 shall supersede the provisions of Section 4 hereof.

9. The County is the beneficiary of this Covenant; and, as such, the County may enforce these restrictive covenants by action at law or in equity, including without limitation, a decree of specific performance or mandatory or prohibitory injunction, as well as civil and criminal penalties as provided for at law.

10. If any covenant, restriction, condition or provision contained in this document is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, restriction, condition or provision herein contained, all of which shall remain in full force and effect. This document shall be construed in accordance with the laws of the State of Florida and venue shall be Miami Dade County, Florida.

11. This Covenant shall survive any proceedings in foreclosure, bankruptcy, probate or any other proceedings at law or in equity.

12. It shall be at the sole discretion of the County through its Board of County Commissioners (the "Board") to amend or terminate any portion of this Covenant through the adoption of a Resolution. Any such amendment or termination shall be by a majority vote of the Board.

IN WITNESS WHEREOF, this Covenant has been executed by the Owner hereto on the day and year first above-written.

Witness:

_____

_____
Print Name

Witness:

_____

_____
Print Name:

Owner:

_____

_____
By