

The City of



Green Park

**FIRST-TIME HOMEOWNER DOWN PAYMENT ASSISTANCE PROGRAM
GRANT PAYMENT AGREEMENT**

This First-Time Homeowner Down Payment Assistance Program Grant Payment Agreement (“Agreement”) is executed this ____ day of _____, 20____.

WHEREAS, the City of Green Park, Missouri (“City”), is a city of the fourth class; and,

WHEREAS, _____ (“Purchaser”) is the owner under contract of a certain property located at _____, Green Park, Missouri 63123 (“Property”) the legal description of which is attached as **Exhibit A** hereto and by this reference incorporated herein as if more fully and completely set forth; and

WHEREAS, the City has established a grant program entitled the First-Time Homeowner Down Payment Assistance Program (“FTHA PROGRAM”) for the purposes of encouraging first-time home buyers to move to Green Park, to increase owner-occupied homes and encourage home ownership, all toward the goal of encouraging the economic development of the community, enhance property values, and thereby promoting the health, safety, and welfare of its citizens; and,

WHEREAS, the Purchaser has applied for, and been accepted to participate in the FTHA PROGRAM; and

WHEREAS, pursuant to the terms of the FTHA PROGRAM the Purchaser and the City agreed that a Purchaser is a first-time home buyer of a single-family home in Green Park and as such eligible for reimbursement under the terms of the FTHA PROGRAM; and

WHEREAS, the City has approved Purchaser’s application for matching the Purchaser’s down payment as eligible to be reimbursed; and,

WHEREAS, pursuant to the terms of the FTHA PROGRAM, the City has authorized grant to the Purchaser in an amount equal to the down payment made by Purchaser at closing not to exceed \$5,000; and,

WHEREAS, as a condition for eligibility in the FTHA PROGRAM, the Purchaser has agreed to continue to reside at the property for at least five (5) years (the “Five-Year Grant Period”); and,

WHEREAS, Purchaser agrees that if the Purchaser ceases to continuously occupy the Property for the full Five-Year Grant Period, the Purchaser will refund to the City the amount of the reimbursement and grant the City a lien on the property to guarantee this promise;

NOW THEREFORE the Parties hereby agree as follows:

1. *Payment.* Upon closing and submission by Purchaser of proof of the down payment amount (closing statement, etc.) to the City, City will make payment to the Purchaser, in the amount of \$ _____ which is equal to the Purchaser’s down payment or \$5,000, whichever is less.
 - 1.1. Payment will be made within thirty (30) days of City’s receipt of all verifying documents of first-time ownership and paid down payment.

2. *Continued Eligibility Contingent on Occupancy.* Purchaser agrees that if at any time during the Five-Year Grant Period the Purchaser transfers title to the Property or ceases to occupy the Property, Purchaser shall refund to the City the entire amount paid by the City in Paragraph 1, above, subject to the following:
 - 2.1. If Purchaser has occupied the Property for at least one (1) year (12 months) following the execution of this agreement, then in lieu of refunding all monies paid by the City, the Purchaser shall only be obligated to refund a pro-rata share of the money.
 - 2.1.1. In calculating the pro-rata refund, Purchaser shall be entitled to a reduction of twenty percent (20%) for each full year the Purchaser has occupied the Property after the execution of this agreement, plus five percent (5%) for each full quarter of a year beyond those included in the full year calculation.
 - 2.2. If Purchaser transfers title to the Property, Purchaser agrees to, on or before closing on the transfer of title, pay the pro-rata refund to the City and further expressly authorizes and agrees to pay the refund to the City out of the proceeds of such transfer of title to the Property.
 - 2.3. If Purchaser ceases to occupy the Property without transferring title, within thirty (30) days of the date such occupancy ceases, Purchaser will reimburse the City as set forth herein.
 - 2.4. If Purchaser fails to refund the money within forty-five (45) days of the date occupancy of the Property ceases then, in addition to the amount owed Purchaser shall pay the City interest at the rate of six percent (6%) per annum plus cost of collection, including actual attorneys' fees. Purchaser further agrees that the unpaid amount of the pro-rata refund plus interest and cost of collection shall constitute a lien on the Property until paid in full, with priority over all other liens, except general tax liens, which liens shall be certified to the St. Louis County and collected in the same manner as other taxes are collected. Purchaser further agrees that City may also pursue all other remedies available at law or in equity.
 - 2.5. If Purchaser desires to transfer title to the Property to a trust for which owner is a trustee or beneficiary, but Purchaser will continue occupying the Property, Purchaser may avoid paying the pro-rata refund to the City as set forth above PROVIDED the Purchaser informs the City of the proposed transfer and amends this agreement to substitute the trust as the Purchaser within thirty (30) days of the transfer and continues to occupy the Property for the duration of the Agreement.
3. *Binding Agreement; Subordination.* This Agreement shall be binding on the Purchaser and on his/her/their successors, heirs, and assigns and shall serve as a lien on the Property. Purchaser authorizes City to record this document, or a separate memorandum of agreement referencing this document, as notice of the City's interest. The lien created by this Agreement shall be subordinate to any lien securing a first mortgage on the Property granted by the Purchaser.
4. *Grant Forgiven; Release.* If the Purchaser continuously resides in the Property for the full Five-Year Grant Period, the Purchaser shall have no further obligation to refund the sums paid by the City, and this Agreement shall become null and void. City will, upon request and within a reasonable time after expiration of Grant Period, record a release of its claim in the office of the St. Louis County Recorder of Deeds.
5. *Purchaser Responsible for Down Payment.* Purchaser agrees that the total amount of the grant is limited to the amount set forth in Section 1.1 and is paid after closing. Purchaser is responsible for payment of the down payment at closing. The City is not responsible except to the amount set forth in Section 1.1.
6. *Covenant not to Sue.* Purchaser hereby agrees that Purchaser will bring no claim in law or equity against the City arising out of this Agreement or the First-Time Homeowner Down Payment Assistance Program and further waives any claim that the Purchaser might have. If Purchaser or any person on Purchaser's behalf brings any action against the City contrary to the above, the City shall be entitled to

reimbursement from the party(ies) who brought such action for costs and attorneys' fees incurred in defense of that claim.

7. *Release and Waiver.* As a condition of Purchaser's acceptance of this grant, Purchaser hereby releases and waives all claims whatsoever directly or indirectly resulting from any acts, errors, or omissions, whether negligent or otherwise, on the part of the City, its officers, agents or employees, arising from or in connection with providing the requested grant or anything in any way related thereto.
8. *Time of the Essence.* Time is of the essence in this contract. The parties hereto expressly recognize that in the performance of their respective obligations hereunder each party is relying on timely performance by the other parties and will schedule operations and incur obligations to third parties in reliance upon timely performances by the other party hereto and may sustain substantial losses by reason of any failure of timely performance.
9. *Entire Agreement.* Other than the representations made by the Purchaser in the *First-Time Homeowner Down Payment Assistance Program Application* which have been relied on by the City in making the grant under this Agreement and which representations are incorporated herein by reference, this Agreement constitutes the entire agreement between the parties and supersedes all previous discussions and agreements and may not be modified by any party.
10. *Applicable Law.* The laws of the state of Missouri shall apply to the interpretation and enforcement of this Agreement. All parties to this Agreement consent to the exclusive jurisdiction of the Circuit Court of St. Louis County, Missouri to resolve all conflicts that arise from this Agreement or are contemplated by this Agreement.
11. *Severability.* The agreements and covenants contained herein are severable, and in the event any portion thereof is held to be invalid or unenforceable by any court of competent jurisdiction, this Agreement shall continue in full force and effect and shall be interpreted as if such invalid agreement or covenant were not contained herein.
12. *Modification of Agreement.* No modification of this Agreement shall be valid unless in writing, signed by the parties hereto.
13. *Attorneys' Fees.* If City brings an action to enforce this Agreement, the City shall be entitled to recover its costs, including attorneys' fees, incurred to enforce this Agreement.
14. *No Waiver by City.* Any waiver by the City of any breach of any term or condition of this Agreement shall not operate as a waiver of any other breach of such term or condition or of any other term or condition, nor shall any failure to enforce such provision hereof operate as waiver of such provision or of any provision hereof, nor constitute nor be deemed a waiver of release of the Purchaser for anything arising out of, connected with, or based upon this Agreement.
15. *Counterpart Facsimile Execution.* For purposes of this Agreement, a document (or signature page thereto) signed and transmitted by facsimile machine or telecopier is to be treated as an original document. The signature of any party hereon, for purposes hereof, is to be considered as an original signature, and the document transmitted is to be considered to have the same binding effect as an original signature on an original document. At the request of any party, any facsimile or telecopy document is to be re-executed in original form by the parties who executed the facsimile or telecopy document. No party may raise the use of a facsimile machine or telecopier as a defense to the enforcement of this Agreement or any amendment or other document executed in compliance with this Section.

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CITY OF GREEN PARK

James Mello, City Administrator

Date