HOME AGREEMENT DEED RESTRICTION FOR RENTAL DEVELOPMENT PROJECTS

APPENDIX D.

OCTOBER 20, 2025

CITY OF PATERSON

RECORD IN THE MORTGAGE BOOK

CITY OF PATERSON
DEPARTMENT OF COMMUNITY DEVELOPMENT
DIVISION OF HOUSING
125 ELLISON STREET
PATERSON, NEW JERSEY 07505

HOME Deed Restriction and Long Term Affordability Mortgage and Loan Agreement

Revised 10/20/2025

This HOME Restriction and Long Term Affordability Mortgage and Loan Agreement entered into this ___ day of _______, 20____ between the City of, Department of Community Development, Division of Housing, 125 Ellison Street, Paterson, New Jersey 07505, (hereinafter referred to as the "Lender") and ____ (herein after referred to as the "Owner").

WHEREAS, The HOME Investment Partnership Act program (hereinafter referred to as the "HOME Program") was created under Title II of the National Affordable Housing Act of 1990 which governs the responsibilities of participating jurisdictions in said program; and

WHEREAS, the general purpose of the HOME Program is to expand the supply of affordable housing, particularly rental housing for low and very-low-income Americans to strengthen the abilities of State and Local governments to design and implement strategies for achieving adequate supplies of decent, affordable housing; to provide both financial and technical assistance to participating jurisdiction; and to extend and strengthen partnerships among all levels of government and the private section in the production and operation of affordable housing; and

WHEREAS, the Lender is a HOME Program participating jurisdiction and has received HOME Program funds from the U.S. Department of Housing and Urban Development (hereinafter referred to as "HUD") which allows the Lender to award to money for the following activity:

( ) RENTAL HOUSING NEW CONSTRUCTION

( ) RENTAL HOUSING SUBSTANTIAL REHABILITATION

( ) RENTAL HOUSING BY AN APPROVED COMMUNITY DEVELOPMENT HOUSING ORGANIZATION

WHEREAS, the Parties hereto have entered into this HOME Deed Restriction and Long Term Affordability Mortgage and Loan Agreement (hereinafter referred to as the "Agreement") for the above-checked HOME program activity and this mortgage is given to the Lender as security for the payment due and the performances of all promises under this Agreement:

AND WHERERAS, the Owner is the fee-simple owner and legal title holder of certain real estate located at _______________________, in the City of Paterson, County of Passaic and State of New Jersey, which real estate is described in **Exhibit A** attached hereto and by this reference made a part hereof (hereinafter referred to as the "**Property**").

NOW, THEREFORE in consideration of the payment by the Lender to the Owner of $_________________________ in HOME Program funds and the mutual covenants herein, the parties promise and agree as follows:

I. DEFINITIONS

"Affordable Housing" shall mean residential units which have been restricted for occupancy by Households whose total Gross Annual Income is measured at less than 60% of the median income level established by authorized HUD income guidelines for geographic regions and family size.

"Agreement" shall mean this written HOME Deed Restriction and Long Term Affordability Mortgage and Loan Agreement between the Department of Community Development, Division of Housing as the Lender and the Owner of an Affordable Housing unit(s) rental project which places restrictions on Affordable Housing units so that they remain affordable to and occupied by Very-Low and Low-Income Eligible Households for the period of time specified in this Agreement.

"Gross Annual Income" shall mean the total amount of all sources of a Household's income including, but not limited to, salary, wages, interest, tips, dividends, alimony, pensions, social security, business and capital gains, tips and welfare benefits. **More specifically, for purposes of this Agreement "household income" shall be defined as "Annual Income" is defined in the annual income calculation called for in the Section 8 Part 5 regulation (24 CFR Part 5).**

"HUD" shall mean the U.S. Department of Housing and Urban Development.

"Lender" shall mean the City of Paterson, Department of Community Development, and Division of Housing.

"**Low-Income Household**" shall mean a Household whose total Gross Annual Income is equal to more than 50% but less than 60% of the area median income level established by geographic region and household size using the income guidelines approved for use in the HOME Program by HUD.

"Area Median Income" (AMI) shall mean the figure as established by geographic region by HUD according to household size.

"**Owner**" shall mean the titleholder of record as same is reflected in the most recent dated and recorded deed for the particular Affordable Housing unit. For purposes of the initial rentals of any Affordable Housing unit, Owner shall include the Developer/Owner of such Affordable Housing rental property as a landlord. Owner shall not include any co-signer or co-borrower on any First Purchaser Money Mortgage unless such co-signer or co-borrower is also a named titleholder or record owner of such Affordable Housing unit.

"Total Monthly Housing Costs" shall refer to the monthly rental charge for the tenant in renting an Affordable Housing rental unit – including the allowance for tenant paid utilities

"Very Low-Income Household" shall mean a Household whose total Gross Annual Income is equal to 50% or less of AMI level established by geographic region and household size using the income guidelines approved for use by HUD.

II. REQUIREMENTS AND RESTRICTIONS

1. This Agreement shall be recorded with the recording Office of the County of Passaic at the time assistance is provided by the Lender to the Owner and shall constitute a mortgage lien and restrictive covenants running with the land with respect to the Affordable Housing units described in Exhibit "A" attached hereto and made a part hereof.

2. This Agreement sets forth the terms, restrictions, and provisions of this instrument which shall bind all Purchasers and Owners of the Affordable Housing project, their heirs, assigns, successors, and all persons claiming by, through or under them or their heirs, assigns, and successor for the duration of this Agreement as set forth herein.

3. The minimum amount of HOME Program funds is an average of $1,000, multiplied by the number of HOME-assisted units in the project.

1. The maximum amount of HOME Program funds for all program activities per bedroom unit as of **February 13, 2024**, is as follows:

HOME 2024 Maximum Per-Unit Subsidy Limits	
0 (studio) Bedroom unit	$181,488
1 Bedroom unit	$208,048
2 Bedroom unit	$252,993
3 Bedroom unit	$327,292
4 Bedroom unit	$359,263

5. All tenants must occupy the HOME assisted units as their principal place of residence.

6. All properties constructed or rehabilitated with HOME Program funds must meet the following:
... Local Code;
... BOCA Code;
... CABO Code;
... All HUD regulations and minimum property standards requirements;
... All newly-constructed properties must meet the Five Star Energy Efficient Home standards;
...Handicapped Accessibility requirements, where applicable; and
...New construction of rental housing must meet site and neighborhood standards at 24 CFR 893.6(b)
...All newly constructed properties must meet CABO's Model Energy Code.
...**All pre-1978 built properties must undergo a lead based paint analysis and a control or complete abatement regimen as per the 1992 Housing and Community Development Act, Title X (24 CFR Part 35), including abatement of interior areas and "interim" controls of disturbed exterior surfaces for**

projects receiving more than $25,000 of HOME assistance per unit and lesser requirements for projects receiving less.

7. When an Owner is refinancing a first mortgage, he or she must inform the Division in writing and request permission for subordination. Be advised that the Division will not subordinate its lien unless all recorded liens against the Property are less than 70% of the appraised value of the Property at the time the request is made. This action requires municipal council approval.

8. Any HOME Program assisted unit(s) are subject to the following mandatory minimum affordability time periods per unit, during which program affordability standards must be maintained and the terms of this Agreement followed. Non-compliance with program affordability standards during the term of this Agreement will result in the Owner or his/her successors, becoming obligated to repay the loan plus an additional three (3) percent for administrative expenses. The affordability time periods are governed by the amount of assistance given, except in the case of newly constructed homes.

Amount of Assistance per Unit	**Affordability Period – (Minimum)**
Under $15,000	5 years
$15,000.00 to $40,000.00	10 years
Over $40,000.00	15 years
New construction of housing	20 years
Refinancing of ***RENTAL*** housing	15 years

9. HOME rental housing includes the following constraints on the Owner regarding occupancy and rents:

Initial Lease-up for all Tenants:

During the initial lease up of all Affordable Housing units in the Property, the Owner shall not lease an Affordable Housing unit to any household whose annual household income exceeds 60% AMI. The rent shall not exceed the lesser of 30% of the annual income of a household whose annual income equals 65% of AMI (hereinafter referred to as the "High HOME Rent") or the Fair Market Rent for Passaic County as periodically revised by HUD (hereinafter referred to as "FMR").

Project Rule: For properties with five (5) or more HOME assisted units, at least 20% of the HOME assisted units must be rented to Very Low-Income Households and must have rents which are no greater than the lesser of 30% of the annual income of a household whose annual income equals 50% of the AMI (hereinafter referred to as the "Low HOME Rent") or the FMR. The Project Rule applies throughout the entire Affordability Period.

After the Initial Lease-up for all Tenants - other than for those tenants used to satisfy the Project Rule's Requirements:

a. After the initial lease-up period of any tenant in a HOME assisted Affordable Housing unit at the Property, their annual household income shall not exceed 80% of AMI nor shall the rent exceed the lesser of the High HOME Rent or the FMR, except that, regarding tenants who are over income when being recertified any time after their initial lease-up period, these tenants shall be charged rents as described in b., immediately following:

b. Over income tenants in fixed HOME assisted units shall be charged rent equal to 30% of their 24 CFR Part 5 adjusted annual income. Over income tenants in floating HOME Units shall be charged rent equal to 30% of their 24 CFR Part 5 adjusted annual income subject to a maximum rent limit that does not exceed the market rent for comparable, unassisted units in the neighborhood.

Note: Over income tenants in HOME units which are also Low Income Housing Tax Credit (LIHTC) supported units shall follow the LIHTC rules for over income tenant households which do not permit or impose special or higher rents for over income tenants provided that the income does not exceed 140% of the LIHTC project income limit. The Owner may increase an over income tenant's rent, but only after the unit is replaced with another low-income unit in the project.

10. In the rental project's first year all Affordable Housing units must be **approved** by the Lender to ensure that occupants meet the required tenant income standards and that the units meet rent affordability and housing property standard habitability standards. After the first year, Owner will be required yearly – at the end of the project year - to **provide** to the Lender annual income certification and eligibility documentation and, also, documentation of compliance with HUD HOME Program affordability, habitability and affirmative fair housing marketing standards.

11. Owner warrants title to the Property in which the Affordable Housing units that are the subject of this Agreement are located, and will defend its ownership against all claims.

12. Owner shall use Affordable Housing units at the Property in compliance with all laws, ordinances, and other requirements of any governmental authority.

13. The Owner herein mortgages the real estate owned by him/her and described in Exhibit "A" attached hereto and made a part hereof, and Lender is hereby vested with a security interest in such real estate.

III. OWNER RESPONSIBILITIES

1. The Owner shall not enter into a lease agreement on a HOME assisted rental unit in the Property with a tenant who is not either Very Low-Income or whose income is equal to or less than 60% of AMI. Furthermore, for the project's initial lease-up of all HOME assisted units, all HOME assisted units must be pre-approved by the Lender or their designee. In the project's subsequent leases, although all provisions of this Agreement shall apply and although it is essential that all new tenants (especially) be

properly income certified and certified to have permanent resident status by the Owner, nevertheless, each tenant and unit will be monitored by the Lender after the end of each project year.

2. Rent for all of the HOME assisted units shall never exceed the lesser of Fair Market Rent or 30% of 65% of AMI (the High HOME Rent), adjusted for family size, minus tenant paid utilities AND, for projects with five (5) or more units, at least 20% of the HOME assisted units shall have rents that are equal or less than 30% of the annual household income at 50% of the AMI (the Low HOME Rent) minus tenant paid utilities (see Part II, Paragraph 9: Project Rule).

3. Owners shall obtain from each prospective tenant a certification of income prior to admission to the HOME assisted unit. They must, each year during the affordability period, reexamine each tenant's annual income by examining source documents evidencing annual house hold income (e.g., wage statements, asset and interest statements, unemployment compensation statements, etc.) for the household.

4. Owners shall require all tenants to execute a lease and shall not rent any HOME assisted unit for less than 30 days. Leases shall require tenants to provide income documentation and authorizations to the Owner, for the Owner, the Lender and HUD to obtain such documentation at least annually or when household composition, income or other eligibility related factors change. Leases shall be free of all HUD - prohibited lease terms.

5. Owners of the Property in which the Affordable Housing units exist shall pay all taxes, charges, assessments or levies, both public and private, assessed against such units, the Property or any part thereof, as and when the same become due.

6. Owners shall not convey, transfer, dispose of or encumber any of the mortgaged property or permit the conveyance, transfer or conveyance of such property without notice to and consent from the Lender. Any such transfer shall be only to an individual, a corporation or other legal entity satisfactory to and approved by the Lender. Such grantee or other entity shall, by legal and valid instrument in writing to be recorded or filed in the same recording office in which conveyances of property covered by the mortgage are required to be filed and recorded, duly assume all obligations under this Agreement and under the note and mortgage.

7. The Affordable Housing units shall at all times remain the Primary Residence of the tenant and shall not be sublet to any party whether or not that party is qualified as a Very-Low or Low-Income eligible household without prior written approval from the Lender.

8. The Owner shall not place any additional liens on the Property, other than the First Mortgage without first obtaining permission from the Lender.

9. The Owner must maintain the building in compliance with Housing Property Standards. (Note: Housing Property Standards are promulgated by HUD.) All

units must be in compliance with local building, health and housing codes. If sub-standard conditions are found in the Affordable Housing units and they are not corrected according to the specifications provided by the Lender, then the Owner will be determined to be in default of this Agreement.

10. The Owner must cooperate with the monitoring efforts of the Lender including, but not limited to, producing the following annually:

a. Tenant Income Certification Form, as provided by the Lender, annually for each tenant household, listing all household members, all sources of income and being signed and certified by all adult household members and by the Owner.
b. Third party documentation of all income sources, including eight (8) weeks regarding employment, six (6) months regarding banking and other assets, six (6) months regarding Social Security, welfare, child support, alimony, unemployment, other entitlements, pensions and annuities, or certifications or affidavits of zero income or benefits in order to demonstrate that there is no income from likely or possible potential sources of income.
c. Legal United States (US) permanent resident status documentation for all household members, in the preferred form of US birth certificate, passport, or permanent resident card.
d. Birth certificates for all household members and Social security cards.
e. Annual Project Occupancy Report, presented by the Owner on a form provided by the Lender to the Owner, listing all tenant households that occupied the project during the project year along with their incomes, date of income certification, rents, allowance for tenant paid utilities, lease dates number of bedrooms, household size, race, Hispanic ethnicity status, etc.
f. Cooperation with the Lender's inspection efforts for HOME Program's physical habitability standards, including providing access and correcting cited violations, as required by HUD
g. Income tax returns for two (2) previous years for all adult household members.

Relief from any of the above (a-g) requirements may be granted solely at the Lender's discretion, subject to underlying HUD regulations.

11. All Deeds of Conveyance and Lease Agreements from all Owners to Certified Purchasers shall have the following text attached as an addendum to the Deed and shall include the following clause in a conspicuous place:

"The Owner's right, title and interest in this Affordable Housing Project and the use, sale, resale, and rental of this property are subject to the terms, conditions, restrictions, limitations and provisions as set forth in this HOME Deed Restriction and Affordability Mortgage and Loan Agreement dated_____________, which shall be filed in the Office of the Passaic County Register of Deeds and shall also be on file with the City of Paterson , Department of Community Development, Division of Housing."

IV. Affordability/ Recapture Requirements

1. The HOME assisted housing units must meet the affordability requirements for not less than the applicable period specified in Part XVII, Expiration of Restrictions.

2. The HOME assistance shall be in the form of a deferred payment loan with no payment unless the terms of this Agreement are violated.

3. The HOME assistance is transferable to subsequent approved buyers.

4. The HOME assistance is not forgivable until such time as the entire length and terms of the affordability period has been met satisfactorily.

5. All recaptured HOME Program funds shall be used to assist future affordable units.

V. RIGHT OF FIRST REFUSAL

The Lender reserves the right of first refusal to purchase any Property in which HOME assisted Affordable Housing units are located that is offered for sale prior to the expiration of the affordability period requirement. The right must be exercised within forty-five days (45) of receipt of written notice and closed within ninety-days (90) of the written notice. To be effective, said notice must be acknowledged in writing by the Lender or there must be proof of actual receipt by certified mail, return receipt requested.

VI. COVENANT TO PAY INDEBTEDNESS

Owner will pay the indebtedness as hereinbefore provided.

VII. RIGHTS GIVEN TO LENDER

The Owner by mortgaging the Property to the Lender gives the Lender those rights stated in this Agreement, all rights the law gives to Lenders who hold mortgages and also all rights the law gives to the Lender and/or Municipality under the National Affordable Housing Act of 1990. **The rights given to the Lender and the restrictions upon the Property are covenants running with the land.** The rights, terms and restrictions in this Agreement shall bind the Owner and all subsequent purchasers and Owners of the Property and the heirs and assigns of all of them. Upon performance of the promises contained in this Agreement, the Lender will cancel this Agreement at his/her expense.

VIII. FORECLOSURE

The terms and restrictions of this Agreement shall be subordinate only to the first mortgage holder. A lien for HOME Program funds on the Affordable Housing units shall in no way impair the first mortgage holder's ability to exercise the remedies available to it in the event of any default of such mortgage as such remedies are set forth in the first mortgage.

In the event of a foreclosure by the first mortgage holder, the Owner shall be personally obligated to pay the Lender any excess funds generated from such foreclosure sale. For purpose of this Agreement, excess funds shall be the amount paid to the Sheriff at the foreclosure sale in excess of the amount required to pay and satisfy the first mortgage, including the costs of foreclosure, plus any secondary mortgages approved by the Lender in accordance with this Agreement. The amount of excess funds shall also include all payments to any junior creditors out of the foreclosure sale process even if such were to the exclusion of the defaulting Owner/Mortgagor.

The affordability restrictions must terminate upon the occurrence of any of the following: foreclosures, transfer in lieu of foreclosure or assignment of any FHA mortgage to HUD.

The Lender shall prohibit foreclosure or an acceptance of a deed in lieu of foreclosure in the event of a default without prior written notification to the first mortgage lender.

IX. VIOLATIONS, DEFAULT AND REMEDIES

1. Upon violation of any of the provisions of this Agreement by the Owner of an Affordable Housing unit, the Lender shall give written notice in the form of a "Notice of Violation" to the Owner specifying the nature of the violation and requiring a correction within sixty days of receipt of such notice.

2. The "Notice of Violation" shall specify the particular infraction and shall advise the Owner that his or her right to continued ownership may be subject to forfeiture and

that the Lender may declare the Owner in default of this Agreement if such infraction is not cured within sixty days of receipt of the Notice.

3. The Owner shall be obligated to notify the Lender in writing that the violation has been corrected within the sixty-day period or that additional time is needed for the correction. The Lender may grant additional time for good cause and notify the Owner that additional time has been granted.

4. If the Owner does not forward written notification, as required, or correct the violation within the time specified, the Lender may declare a default of this Agreement.

5. If the Owner makes any misrepresentation in connection with the sale of the Property in which the Affordable Housing units are located pursuant to this Agreement, the Lender may apply to a court of competent jurisdiction for specific performance of this agreement, for an injunction prohibiting a proposed sale, lease or transfer in violation of this Agreement, or a declaration that a sale or transfer in violation of this Agreement is void, or any other relief as may be deemed appropriate.

6. The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of this Agreement until such time as title is conveyed to a new Owner.

7. The Lender may declare the Owner in default on this Agreement if:

   a. The Owner fails to comply with the provisions of this HOME Deed Restriction and Long Term Affordability Mortgage and Loan Agreement;

   b. The Owner fails to make any payment required by this Agreement;

   c. The Owner fails to keep any promises made in this Agreement;

   d. The ownership of the Property in which the Affordable Housing units are located is changed for any reason without compliance with the terms of this Agreement;

   e. The holder of any lien on the affordable housing unit starts foreclosure proceedings; or

   f. Bankruptcy, insolvency or receivership proceedings are started by or against any of the Owners.

8. If the Lender declares that this Agreement is in default, the Lender shall have, subject to the rights of the first mortgagee and secondary mortgages or lien holders approved by the Lender, all rights given by law or set forth in this Agreement.

9. If the Owner has leased a HOME assisted unit either for a rental charge in excess of that permitted by this Agreement or to a tenant who is deemed ineligible by the Lender or its designee, the Lender shall have recourse to all legal and equitable remedies as stated above, including the recapture of surplus rents paid in excess of the maximum permitted rental charge.

10. In the event of a threatened breach of any of the terms of this Agreement by the Owner, the Lender shall have all remedies provided at law or in equity, including the right to seek injunctive relief or specific performance, it being recognized by both parties to this Agreement that a breach will cause irreparable harm to the Lender, in light of the public policies set forth in the National Affordable Housing Act of 1990 and the obligation for the provision of very-low and low-income housing. Upon the occurrence of a breach of any of the terms of this Agreement by an Owner, the Lender shall have all remedies provided at law or in equity, including but not limited to, foreclosure, acceleration of all sums due under the mortgage and loan agreement, recoupment of any funds from a sale in violation of this Agreement, injunctive relief to prevent further violation of this Agreement, entry on the premises, specific performance and court action seeking a judgment terminating Owner's equity, ownership or other interest in the Affordable Housing unit.

X. RIGHT TO ASSIGN

The Lender may assign from time to time its rights, and delegate its obligations hereunder without consent of the Owner. Upon such assignment, the Lender, its successors and assigns, shall provide written notice to the Owner.

XI. INTERPRETATION OF THIS AGREEMENT

The terms of this Agreement shall be interpreted so as to avoid financial speculation and profiteering of the Affordable Housing units for the duration of this Agreement and to ensure, to the greatest extent possible, that the rents of designated Affordable Housing units remain affordable to Very-Low and Low-Income Eligible household as defined herein.

XII. SUPERIORITY OF AGREEMENT

Owner warrants that no other Agreement with provisions contradictory of, or in opposition to, the provisions hereof has been or will be executed, and that in any event, the requirements of this Agreement are paramount and controlling as to the rights and obligations between and among the Owner, Lender and their respective successors.

XIII. SEVERABILITY

It is the intention of all parties that the provisions of this instrument are severable so that if any provisions, conditions, covenants, or restrictions thereof shall be invalid or void under any applicable federal, state, or local law, the remainder shall be unaffected thereby. In the event that any provision, condition, covenant, or restriction hereof is, at the time of recording of this instrument, void, voidable or unenforceable as being contrary to any applicable federal, state or local law, both parties, their successors and assigns, and all persons claiming by, through or under their rights, covenant and agree that any future amendments or supplements to the said laws having the effect of removing said invalidity, voidability or unenforceability, shall be deemed to apply retrospectively to this instrument, thereby operating to validate the provisions of the instrument which otherwise might be invalid. It is covenanted and agreed that any such amendments and supplements to the said laws shall have the effect herein described as fully as if they had been in effect at the time of the execution of this instrument.

XIV. CONTROLLING LAW

The terms of this Agreement shall be interpreted under the laws of the U.S. Department of Housing and Urban Development, Home Investment Partnerships Program regulations, 24 CFR Part 92.01 *et seq.*, as amended, and the laws of the State of New Jersey.

XV. OWNER'S CERTIFICATION

The Owner(s) certifies that all information provided in order to qualify as the Owner of the Property or to purchase the Property is true and correct as of the date of the signing of this Agreement.

XVI. MODIFICATIONS

The Lender may change the content of this Agreement from time to time for conformance with changes to substantive rules or regulations that may be promulgated by HUD.

Such changes shall not be made retroactive and Owners shall only be subject to those provisions contained in the signed Agreement. The Owner and Lender hereby agree that the Affordable Housing units described herein shall be marketed, rented and occupied in accordance with the provisions of this Agreement. Neither the Owner nor the Lender shall amend or alter the provisions of this Agreement without first obtaining the approval of the other party. Any such approved amendments or modifications of this Agreement shall be in writing and shall contain proof of approval from the other parties and shall not be effective unless and until recorded with the County Register for the County of Passaic in which the Property is situated.

XVII. EXPIRATION OF RESTRICTIONS

1. The terms, restrictions and covenants of this Deed Restriction and Long Term Affordability Mortgage and Loan Agreement shall automatically expire and terminate __________ years from the date of either the Final Certificate of Occupancy is obtained, the last Home assisted unit is occupied by an income-eligible household at a Lender approved rent, or when all the HOME Program funds are drawn down from the Integrated Disbursement and Information System (hereinafter referred to as "IDIS") and the HOME Program activity is closed in IDIS, whichever is the latter. The Affordability Period will not terminate until the Lender receives and verifies the final report from the Owner certifying the project's satisfactory regulatory compliance, including for the final year of the Affordability Period.

2. Upon expiration of the restrictions, the Lender shall execute a document in recordable form evidencing that such Affordable Housing units in the Property have been forever released from the restrictions of this Agreement and that the mortgage lien has been canceled.

3. The Owner and the Lender agree that the restrictions contained herein shall be imposed on the Property as described herein in Exhibit A for an Affordability Period of _______ years for each HOME assisted unit **beginning on the date as prescribed in Exhibit A** and that this instrument shall vest in the Lender a security interest in such property.

EXHIBIT A

This HOME Deed Restriction and Long Term Affordability Mortgage and Loan Agreement applies to the Owner's interest in the real properties as further described below.

PROPERTY DESCRIPTION

Tax Map ______ Block ______ Lot _____ Municipality: Paterson

County of Passaic

Complete Street Address: ____

Unit (s) numbers: ____
____

City of Paterson and State of New Jersey

"The Owner and Lender agree that the restrictions contained herein shall be imposed on these affordable housing units for a period of __________ years from the date of either the Final Certificate of Occupancy is obtained, the last HOME assisted unit is occupied by a HOME Program-eligible household, at a Lender approved rent, or when all the HOME Program funds are drawn down from IDIS and the HOME Program activity is closed in IDIS, whichever is the latter."

IN WITNESS WHEREOF, the parties have executed this HOME Deed Restriction and Long Term Affordability Mortgage and Loan Agreement as of the first above written.

Address of Property: ____

_______________________________   ____________________

Andrey Sayegh, Mayor   Date

_________________   ____________________

Owner   Date

_______________________________   ____________________

Phyllis J. Riley   Date
Acting Deputy City Clerk

State of New Jersey }
} SS
County of Passaic }

I certify that on this ________ day of _____________ before me personally appeared ___________________________ who executed the within instrument and acknowledged the contents therein and acknowledged that he/she/ they executed the same as a voluntary act for the uses and purposes therein expressed.

____

Notary Public

State of New Jersey}
} SS
County of Passaic }

BE IT REMEMBERED, that on this _________ day of _______________________ Year of Two Thousand and _________ before me, the subscriber, personally appeared **Phyllis J. Riley,** who being by me duly sworn according to law on her oath deposes and makes proof to my satisfaction, that she is the Acting City Clerk of the City of Paterson, the municipality named is the within instrument and that ________________ is Mayor of said City; that deponent well knows the corporate seal and that she saw the Mayor sign, seal and deliver same, and heard him acknowledge that he signed, sealed and deliver same, as the voluntary act and deed of the said City, for the uses and purpose therein expressed and that deponent thereupon subscribed her name thereto as attesting witness to the execution thereof.

Sworn to and subscribed before me this ______ day of _________________, 20____

Notary Public ________________________

____
Phyllis J. Riley
Acting Deputy City Clerk

Approved as to Facts:

____
Barbara A. Blake-Mclennon,
Director of Community Development

Reviewed by:

____
Iman Boukadoum, Esq.
Assistant Corporation Counsel

Approved as to Legal Form:

____
Aymen Aboushi, Esq.
Corporation Counsel