

**ADAMS COUNTY, COLORADO  
NSP3 DEVELOPER AGREEMENT**

THIS AGREEMENT ("Agreement") is made this November 14 2012, by and between the Adams County Board of County Commissioners, located at 4430 South Adams County Parkway, Brighton, Colorado 80601, hereinafter referred to as the "Grantee," and **COMMUNITY RESOURCES AND HOUSING DEVELOPMENT CORPORATION (CRHDC)** a Colorado non-profit corporation, located at 7305 Lowell Blvd, Suite 200, Westminster, Colorado 80030, hereinafter referred to as the "Developer." The Grantee and the Developer may be collectively referred to herein as the "Parties".

**WITNESSETH**

WHEREAS, the GRANTEE is the recipient of Neighborhood Stabilization Program Funds from the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, the DEVELOPER will utilize funds for an NSP3-eligible PROJECT;

NOW, THEREFORE in consideration of the mutual covenants and obligations herein contained, including the Attachments, and subject to the terms and conditions hereinafter stated, the parties hereto understand and agree as follows:

**I. Definitions**

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement:

- A. "Abandoned" refers to homes where no mortgage or tax payments have been made by the property owner for at least 90 days or a code enforcement inspection has determined that the property is not habitable, and the owner has taken no corrective actions within 90 days of notification of the deficiencies.
- B. "Appraisal" means an appraisal which meets the criteria specified in the Uniform Relocation Assistance and Real Property Acquisition Policies Act ("URA"), as further defined in 49 CFR 24.103.
- C. "Blighted structure" means a structure that exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare.
- D. "CDBG Act" means the Housing and Community Development Act of 1974, Pub. L. No. 93-383, as amended. Unless otherwise noted in HERA (as amended) and the alternative requirements in the NSP Notices, NSP is governed by the CDBG regulations.
- E. "Current market appraised value" means the value of a property that is established through an appraisal made in conformity with the appraisal requirements of the URA at 49 CFR 24.103 and completed within 60 days prior to a final offer made for the property by the Subrecipient, developer, or individual homebuyer; provided, however, if the anticipated value of the proposed acquisition is estimated at \$25,000 or less, the current market appraised value of the property may be established by a valuation of the property that is based on a review of available data and is made by a person the Subrecipient (with DLG approval) determines is qualified to make the valuation.

- F. "Eligible Costs" means costs for the activities specified in **Attachment 2** of this Agreement for which NSP funds are budgeted, provided that such costs (i) are incurred in connection with any activity which is eligible under HERA and Section 105A of Title I of the CDBG Act, and (ii) conform to all NSP requirements.
- G. "Environmental Requirements" means the requirements described in 24 CFR Part 58.
- H. "Foreclosed" refers to a property that is at least 60 days delinquent on its mortgage and the owner has been notified; or the property owner is 90 days or more delinquent on tax payments; or under state or local law, foreclosure proceedings have been initiated or completed; or foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer that is not an NSP grantee, subrecipient, developer, or end user.
- I. "HERA" means the Neighborhood Stabilization Program (NSP) found in Title III of Division B of the Housing and Economic Recovery Act of 2008, as amended.
- J. "HUD" means the United States Department of Housing and Urban Development.
- K. "LMMI" is a HUD-defined term incorporating households with eligible incomes (at or below 120% of area median, based on household size and county), including low-, moderate-, and middle-income, in referring to the national objective of the CDBG program.
- L. "Low-Income Set-Aside" refers to the HERA requirement that not less than 25 percent of the funds NSP funds to the GRANTEE shall be used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will provide permanent housing to individuals or families whose incomes do not exceed 50 percent of area median income.
- M. "NSP Notice" refers to the alternative requirements for NSP issued by HUD in the Federal Register on October 6, 2008, and as modified in the Bridge Notice issued on June 19, 2009.
- N. "NSP Funds" mean those funds to be provided by the GRANTEE pursuant to the terms of this Agreement, as specified in Section II of this Agreement.
- O. "Program Income" means the NSP3 portion of any proceeds received by the DEVELOPER.
- P. "PROJECT" means the activities described in Exhibit A of this Agreement which are to be carried out to meet the objectives of the NSP3 Program.
- Q. "Purchase Discount" means the minimum discount percentage from the current market-appraised value under which a property may be purchased. Under HUD Notice FR-5255—N02, the purchase discount for NSP is "at least 1 percent from the current market-appraised value of the home or property."
- R. "Vacant properties" includes both vacant land and properties with vacant structures on the land.
- S. "Dodd-Frank Act" means the allocation of funds provided under section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 for the third round of Neighborhood Stabilization Program (NSP3) funding.

## II. Terms and Conditions of the Funding

- A. Funding Amount —NSP3 Funds in the amount of **\$1,797,590.00** are obligated for use in compliance with this agreement, as reflected in the budget in **Attachment 2**:
1. These amounts represent a partial allocation of the GRANTEE's total NSP funding contingent upon DEVELOPER's performance and not an entitlement to a certain grant amount, and shall only be disbursed for approved projects and costs.
- B. Use of Funds — NSP funds obligated under this agreement may be used as follows:
1. No Commitment or Expenditure Prior to Environmental Clearance —This obligation of NSP funds is conditional upon satisfactory completion of environmental review under 24 CFR Part 58. Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by GRANTEE of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58. The parties further agree that the provision of any funds to the project is conditioned on GRANTEE's determination to proceed with, modify or cancel the project based on the results of environmental review, Further, the DEVELOPER will not undertake or commit any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance, and. understands that violation of this provision may result in the denial of any funds under the agreement.
  2. Eligible Activities — Grant Funds may be used for the NSP eligible activities that are checked below:
    - i. Activity B - Acquisition and Rehabilitation of a minimum of 7 abandoned or foreclosed single-family properties
  3. Eligible Properties — The DEVELOPER may only utilize NSP funding for properties located in the NSP Target Area **Attachment 1**. The DEVELOPER must prepare and submit a Property Approval Request Form for each property to be assisted with NSP funds. Once Property Approval Request Form has been submitted to GRANTEE, they will then have 5 business days to inspect, approve or deny property and notify DEVELOPER of their decision. Once the 5 day period has expired without a notification from GRANTEE, DEVELOPER can consider the property approved and can proceed with acquisition as long as it meets the following criteria:
    - a. Must be located in an NSP Target Area as identified in **Attachment 1**.
    - b. Must have no substantial adverse environmental factors as determined by an environmental review.
    - c. Must have only one dwelling unit on site; acquisition of two-family or other mixed owner-rental properties require GRANTEE advance approval in writing and compliance with NSP rental restrictions.
    - d. Must otherwise be in suitable locations for marketing and resale to low- and moderate-income homebuyers.
    - e. Must be unoccupied and have no personal possessions on site.

- f. Must be eligible for acquisition under NSP as foreclosed, abandoned or vacant
- 4. Activity Limitations — In implementing projects, DEVELOPER shall undertake only those activities permitted by this agreement, and comply with all provisions of this agreement, including the project requirements in Section III, as they may be modified by HUD. In particular
  - a. Acquisition — In order to ensure that only NSP-eligible properties are acquired, DEVELOPER may acquire only those properties located in the NSP Target Area as identified in **Attachment 1** or subsequently approved by GRANTEE. No acquisitions may occur without environmental clearance, and determination of the applicability of URA provisions.
  - b. Construction/Rehabilitation/Reconstruction — DEVELOPER may use NSP funds for the construction, rehabilitation or reconstruction of properties as approved by the GRANTEE and permitted by this agreement, and shall implement the requirements in Section VII as applicable to all projects.
- C. Deadlines—Timely completion of the work specified in this agreement is an integral and essential part of performance. The NSP funds are subject to Federal deadlines and failure to comply could result in the loss of the Federal funds. By the acceptance and execution of this agreement, it is understood and agreed by the DEVELOPER that the PROJECT will be completed as expeditiously as possible and that the DEVELOPER will make every effort to ensure that the project will proceed and will not be delayed. Failure to meet these deadlines can result in cancellation of this contract and the revocation of NSP funds.
  - 1. Project Obligation Deadline — All properties will be identified by the DEVELOPER and submitted to the GRANTEE for approval on or before **July 9, 2013**.
  - 2. Obligation Standards—To be considered obligated, NSP funds must adhere to the following standards:
    - a. Funds for property acquisition are obligated by the DEVELOPER entering into a valid purchase and sales agreement with the seller of the property in compliance with all NSP requirements.
      - i. All purchase agreements must include the following language:
        - (i) Environmental Contingency: "Notwithstanding any other provision of this Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until Community Resources and Housing Development Corporation has provided Purchaser and/or Seller with a written determination, on the basis of a federally required environmental review, that the purchase of the property by Purchaser may proceed, subject to any other Contingencies in this Contract, or may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property. Adams County Colorado Government shall use its best efforts to conclude the environmental review of the property expeditiously."

(ii) Appraisal Contingency: If Purchaser is using federal funds under the Act (“NSP Funds”), the receipt by Purchaser of an appraisal consistent with the NSP Guidelines (the “NSP Appraisal”) in form and appraised value acceptable to meet the NSP Guidelines and support the Purchase Price set forth in the Purchase Agreement and acceptable to Purchaser. The purchase price for a property acquired with Agency NSP funds must include a discount of at least one percent (1 %) (Agency NSP Discount Percentage) from the appraised value of the Property (the “NSP Appraised Value”), as determined by a URA appraisal acceptable to the Agency and obtained by the Purchaser at no expense to the Seller (the “NSP Appraisal”). If the Purchase Price stated in the agreement does not meet the required 1% discount form the NSP Appraised Value then the Parties may:

1. Negotiate a modified purchase price. The Purchaser shall have until the earlier of (i) 5 days after the Purchaser’s receipt of the NSP Appraisal or (ii) 15 days after the date of this Agreement to negotiate a modified purchase price.
2. If the parties are unable to agree to a modified purchase price then either party may terminate the Agreement. In which event the Seller shall return the Purchaser’s earnest money deposit and the parties shall have no further obligation under this Agreement.

(iii) Adams County Approval Contingency:

- b. Funds for construction or rehabilitation are obligated by completing a detailed set of plans and specifications (or work write-up) and completing a detailed construction/rehabilitation cost estimate based upon those specifications. Such cost estimate may include a contingency for construction change orders of 15% for Rehabilitation,
  - c. For a property that has met the requirements above, the total obligation amount will include the per-unit or prorated estimates of soft costs, developer fee and selling costs based on the cost assumptions in **ATTACHMENT 3**.
  - d. No funds are obligated until the GRANTEE has completed environmental review and approval of the project as contained in Section VIII, and has obtained the release the funds.
  - e. DEVELOPER must report fund obligations on a monthly basis or when requests for reimbursements are made, whichever occurs sooner.
3. Project Expenditure Deadlines — All project activities and all expenditures of NSP funds must be completed by **February 9, 2014**. If checked the additional interim deadlines apply to project expenditures:

100% of NSP funds expended and drawn by

**February 9, 2014**

4. The DEVELOPER expressly agrees to complete all work required by this agreement in accordance with the timetable set forth in **Attachment 4**.
    - a. If DEVELOPER fails to obligate or expend NSP funds as indicated in this agreement, GRANTEE in its sole discretion may recapture a portion or all of the DEVELOPER's total NSP funding allocation.
    - b. Changes to the timetable may be approved by the GRANTEE, in the event the DEVELOPER is unable to meet the above deadlines or complete the above services because of delays resulting from Acts of God, untimely review and approval by the GRANTEE and other governmental authorities having jurisdiction over the PROJECT, or other delays that are not caused by the DEVELOPER, the GRANTEE shall grant a reasonable extension of time for completion of the WORK. It shall be the responsibility of the DEVELOPER to notify the GRANTEE promptly in writing whenever a delay is anticipated or experienced, and to inform the GRANTEE of all facts and details related to the delay. However, GRANTEE may not provide extensions beyond deadlines imposed by HUD.
  5. Since it is mutually agreed that time is of the essence, the DEVELOPER shall cause appropriate provisions to be inserted in all contracts or subcontracts relative to the work tasks required by this agreement, in order to ensure that the PROJECT will be completed according to the timetable set forth in this agreement.
- D. Sale to Buyers — All units acquired under this agreement shall be sold to eligible buyers in accordance with the provisions of this section.
1. Eligible Buyers — Eligible homebuyers must be determined to be income-eligible in compliance with the limit checked below.
    - (i) Low Income — less than 50% of Area Median Income  
At least 2 properties
    - (ii) Moderate/Middle Income — less than 120% of Area Median Income  
All remaining properties
  2. Sales Price Sales prices must be in compliance with the price limits set by Neighborhood Stabilization program and be equal to or less than appraised value or Total Development Cost whichever is lower and a decrease in the sales price *below the appraised value* of each property must be approved by GRANTEE.
  3. Income Certification and Documentation — Every purchaser shall be determined to be eligible according to the requirements at 24 CFR 5.609.
- E. Net Proceeds of Sale — Upon sale of an NSP-funded home, DEVELOPER will report to GRANTEE:
1. the total amount of NSP funds advanced, minus the following amounts:
    - a. The amount of the development subsidy as defined herein; and
    - b. The amount of any buyer assistance, including homebuyer assistance and down payment assistance as defined herein.

F. All net proceeds from the sale of NSP funded homes shall be returned to the Grantee within five (5) business days of the closing. These funds shall be used as Program income by the Grantee as defined in 24CFR 5207.500 and 24 CFR 570.504. Additional guidance can be found in NSP Policy Alert-Program Income in the Neighborhood Stabilization Program dated July 13, 2011.

### III. Project Requirements

The DEVELOPER agrees to comply with all requirements of the NSP Program as stated in the NSP Notice and CDBG regulations, including but not limited to the following:

- A. NSP Eligible Use, CDBG National Objective and Eligible Activities—The DEVELOPER will ensure and document that its NSP activities meet LMMI national objective, eligible use, allowable cost, and eligible activity requirements of the NSP Notices & CDBG Regulations. The DEVELOPER will ensure that any expenditure of NSP funds will be in compliance with the requirements, and acknowledges that NSP funds will only be provided as reimbursement for eligible costs incurred, including actual expenditures or invoices for work completed.
- B. Property Acquisition — If any foreclosed-upon homes or residential properties are to be acquired with NSP funds, the DEVELOPER will acquire property with NSP funds at a minimum discount of one percent from fair market value for each residential property. This requirement applies to foreclosed properties purchased with NSP funds, and the discount must be taken from the current Market appraised value as described in the NSP NOFA.
  1. Eligible properties — HERA and NSP limits the properties that are eligible for assistance to certain locations and types of properties (depending on the Eligible Use.) Target Area locations are listed in **Attachment 1**. All activities must be undertaken on foreclosed or abandoned residential property. All properties must be vacant and cannot conflict with the Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs Act as set forth in 49 CFR Part 24.
  2. Prohibition against eminent domain — The DEVELOPER will not undertake any involuntary acquisition of property with NSP funds without prior written consent of the GRANTEE and written opinion of counsel that such acquisition is lawful.
  3. Appraisal — Appraisals funded with NSP funds are required for all foreclosed properties. Exceptions to this requirement may be approved by the GRANTEE.
    - a. NSP3 requires appraisals to be performed with respect to the NSP funded acquisition of foreclosed upon homes and residential properties, even though they may be considered voluntary under the URA. The GRANTEE further requires an appraisal for all NSP-assisted acquisitions of property to ensure cost reasonableness.
    - b. The URA appraisal requirements of 49 CFR 24.103 must be met. For acquisitions which meet the applicable voluntary acquisition requirements of 49 CFR 24.101(b), the DEVELOPER must ensure that the owner is informed in writing of what it believes to be the market value of the property, and that the DEVELOPER will not acquire the property if negotiations fail to result in an amicable agreement (see 49 CFR 24.101(b)(1) & (b)(2)).

- c. The appraisal must have been completed within 60 days of the offer made for the property (an initial offer can be made, subject to the completion of the appraisal within 60 days of a final offer).
  4. Occupied properties — If the PROJECT is occupied at the time of this commitment, the DEVELOPER will comply with the relocation requirements of 24 CFR 570.606.
  5. Purchase Discounts — HERA requires all NSP-assisted acquisitions of foreclosed property to be at a discount from the current market appraised value of the property, taking into account its current condition, and such discount shall ensure that the DEVELOPER is paying below-market value for the home or property. A minimum discount of 1 percent less than current market appraised value for each property purchased with NSP funds is required for all acquisitions funded with NSP, The address, appraised value, purchase offer amount, and discount amount of each foreclosed property purchase must be documented in the DEVELOPER's records.
- C. Rehabilitation — For any rehabilitation in this project, DEVELOPER will comply with the provisions of Section VII.
- D. Property Standards — The DEVELOPER will carry out all NSP-assisted activities in accordance with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability, in order to sell, or redevelop such homes and properties.
  1. Rehabilitation Standards — DEVELOPER will carry out all NSP-assisted rehabilitation of a foreclosed-upon home or residential property in compliance with the agreed rehabilitation standards that meet the programmatic requirements, and in accordance with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability.
  2. Lead Based Paint — The DEVELOPER agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.487 or 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all NSP-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.
  3. Accessibility — The DEVELOPER shall work with any home buying household that includes a person with disabilities to provide accessibility modifications required under the policy of reasonable accommodations and reasonable modifications, All such modifications shall be considered to be eligible NSP costs under this agreement.
- E. Maximum Sales Price — In no event shall the sales price exceed the amount permitted by the NSP requirements listed below:
  1. If an abandoned or foreclosed upon home or residential property is to be sold to an individual as a primary residence, no profit may be earned on such sale.



2. HERA Section 2301(d)(3) directs that the sale of such property shall be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate such home or property up to a decent, safe, and habitable condition. Further, the sale price must be the lesser of the post-development fair market value or the acquisition/redevelopment cost.
  3. The maximum sales price for a property is determined by aggregating all costs of acquisition, rehabilitation, and redevelopment (including related activity delivery costs, which generally include, among other things, costs related to the sale of property).
  4. In determining the sales price, the GRANTEE will NOT consider the costs of boarding up, lawn mowing, maintaining the property in a static condition, or, in the absence of NSP-assisted rehabilitation or redevelopment, the costs of completing a sales transaction or other disposition to be redevelopment or rehabilitation costs.
- F. Sale and Occupancy — All of the funds made available under this Agreement shall be used with respect to.
1. Marketing and Selection — In the marketing, intake and selection of buyers for PROJECT units, the DEVELOPER shall comply with non-discrimination and fair housing requirements listed in Section VIII.
  2. Buyer Qualification — All buyers of NSP-assisted units shall be individuals and families whose incomes do not exceed 120% of area median income (referred to as "low-, moderate-and middle-income", or LMMI). DEVELOPER shall verify and document income eligibility of all buyers as reference in **Attachment 1** in compliance with 24 CFR 5.609 definition of "Income."
    - a. Low-Income Set-Aside— In order to meet the low income targeting requirements established by HUD, a minimum of twenty-five (25%) percent of all units will be set-aside to create permanent housing for households with incomes at or below 50% of area median. The DEVELOPER may choose to expend more than the set-aside amount from NSP funds-allocated within Eligible Uses A and B, but within the total NSP award covered by this agreement, and doing so will not require an amendment to this Agreement.
  3. Buyer Eligibility Restrictions — Program funds shall only be disbursed to a person participating in the NPS3 Program after that person produces documentation certifying to DEVELOPER his or her lawful presence in the United States, as required by A.R.S. §§ 1501 or 1-502, as applicable.
  4. Counseling Requirement Each NSP-assisted homebuyer is required to complete at least eight hours of homebuyer counseling from a HUD-approved housing counseling agency.
  5. First Mortgage — DEVELOPER must ensure that homebuyers obtain a mortgage loan from a lender who agrees to comply with the bank regulators' guidance for non-traditional mortgages. DEVELOPERS are cautioned against providing or permitting homebuyers to obtain subprime mortgages for whom such mortgages are inappropriate.
  6. Affordability Period —The affordability covenants for the loan will be included in the loan documents and shall be recorded against the property. The covenants will run with the property and shall bind the participant(s) for the entire affordability period.

7. NSP Note and Mortgage —, the DEVELOPER shall assure that all NOTES and MORTGAGES recorded for NSP buyers shall be in compliance with the GRANTEE's Policies and Procedures, in the form prescribed by or acceptable to the GRANTEE.
- G. Project monitoring and Recordkeeping — The DEVELOPER will be monitored by the GRANTEE for compliance with the NSP requirements and the applicable CDBG regulations of 24 CFR Part 570. The DEVELOPER will provide reports and access to project files as requested by the GRANTEE during the PROJECT and for five (5) years after completion and closeout of the AGREEMENT as required under Section IX of this Agreement.

#### **IV. GRANTEE Responsibilities**

GRANTEE is responsible for the following tasks and deliverables.

- A. Environmental Review —GRANTEE will complete the Tier 1 environmental assessments and provide clearances for all NSP target areas; DEVELOPER will complete Tier II Site Specific reviews.
- B. Property Approval — GRANTEE will provide prompt approval of any property selected by DEVELOPER within five (5) business days of DEVELOPER submitting all required documentation for approval. Failure to provide all required information will result in a delay in approval.
- C. Homebuyer Counseling—Community Resources and Housing Development Corporation Home Ownership Center will provide pre-purchase counseling and homebuyer education to prospective homebuyers as seen in **Attachment 5**.
- D. Soft-Second Financing—Colorado Housing Enterprise, an affiliate of DEVELOPER will administer soft-second financing to eligible homebuyers as seen in **Attachment 6**.
- E. Inspections — The GRANTEE will conduct progress inspections of work completed and review of project files and information to protect its interests as the regulatory authority for the project, and will provide information to the DEVELOPER regarding any progress inspections or monitoring to assist it in ensuring compliance. The GRANTEE's review and approval of the WORK will relate only to overall compliance with the general requirements of this Agreement and NSP requirements, and all GRANTEE regulations and ordinances.
  - a. The DEVELOPER will conduct, or obtain all necessary inspections and environmental clearances, for each property to be assisted with NSP funds.
  - b. After receiving notification from DEVELOPER that rehabilitation is complete, GRANTEE will conduct a Housing Quality Standards (HQS) Inspection and verify completeness of scope of work for each property to be assisted with NSP funds.
- F. Disbursements — GRANTEE will manage all draws of NSP funds from HUD and payment of valid and properly documented draw requests from DEVELOPER. The GRANTEE will disburse funds as provided in Section IV of this Agreement. GRANTEE will process requests for disbursements of NSP funds, including necessary construction inspections, within 30 days of their submittal. GRANTEE will clearly and promptly describe any deficiencies identified by GRANTEE that prevent a disbursement or portion of a disbursement from being approved.

- G. Reporting — GRANTEE will report to HUD via the Disaster Reporting Government Assistance (DRGR) system and on [www.FederalReporting.gov](http://www.FederalReporting.gov) in a timely manner as required by HUD.
- H. Monitoring — GRANTEE will monitor all program activities of DEVELOPER to assure compliance with the terms of this Agreement including all NSP requirements.
- I. Nothing contained herein shall relieve the DEVELOPER of any responsibility as provided under this Agreement.

#### V. Disbursement of Funds

- A. Project expenses (excluding developer fee) shall be paid based on vouchers for actual expenses incurred or paid. All such expenses shall be in conformance to the approved project budget as seen in **Attachment 2**. Budget revision and approval shall be required prior to payment of any expenses not conforming to the approved project budget.
- B. Requests for payment must be submitted by the DEVELOPER on forms specified by the GRANTEE, with adequate and proper documentation of eligible costs incurred in compliance with NSP and CDBG rules, The DEVELOPER agrees to submit requests for payment in a timely manner in the form and times directed by the GRANTEE.
  - 1. Requests for payment from the DEVELOPER will be made as invoices to the GRANTEE, which include, canceled checks, direct cost invoices and/or original receipts as necessary to verify the nature and type of expenditure. Detailed documents must be maintained at the office of the DEVELOPER, and be available for review by the GRANTEE, or HUD with 24 hours' notice.
  - 2. All invoices will clearly indicate the type of activity the reimbursement is requesting. The request for reimbursement must be consistent with the budget approved and submitted with this Agreement as seen in **Attachment 2**. Any construction activity requires that the invoice specifically itemize each construction component and indicate the current percent of completion or state that the project is "complete."
- C. The GRANTEE will pay to the DEVELOPER funds available under this Agreement based upon information submitted by the DEVELOPER and consistent with any approved budget and GRANTEE policy concerning payments. Payments will be made for eligible NSP related expenses actually incurred by the DEVELOPER, and will not exceed actual cash requirements. In addition, the GRANTEE reserves the right to liquidate funds available under this contract for costs incurred by the GRANTEE on behalf of the DEVELOPER.
- D. The NSP funds advanced to the Project will be secured by a note and mortgage deed on the property, which shall be released upon sale to an eligible buyer.
- E. The GRANTEE reserves the right to inspect records and project sites to determine that reimbursement and compensation requests are reasonable. The GRANTEE also reserves the right to hold payment until adequate documentation has been provided and reviewed.
- F. The DEVELOPER may submit a final invoice upon completion. Final payment shall be made after the GRANTEE has determined that all services have been rendered, files and documentation delivered, and units have been placed in service in full compliance with NSP

regulations, including submission of a completion report and documentation of eligible occupancy, property standards and long-term use restrictions.

- G. The GRANTEE shall pay the DEVELOPER, as maximum compensation or FEE for the developer services as provided in the approved Budget in **Attachment 2**. Developer will receive their FEE according to the following schedule upon the completion of each phase for each property on a pro-rated basis for each home;
1. A request for 25% of said FEE shall be received by GRANTEE once approved property has been acquired
  2. A request for 50% of said FEE shall be received by GRANTEE upon the submission of the final construction invoice
  3. A request for 25% of said FEE shall be received by GRANTEE once home has been occupied with renter or home owner.
- H. The DEVELOPER shall submit to GRANTEE at time of sale any net proceeds of sales, after the payment of all closing costs and approved developer fee, under this contract.

#### **VI. Repayment of Funds**

- I. All NSP funds are subject to repayment in the event the PROJECT does not meet the Project Requirements and Other Requirements as outlined in this Agreement, including deadlines.
- J. It is understood that, upon the completion of the PROJECT, any NSP funds obligated but not expended under this agreement will revert to the GRANTEE.
- K. Three (3) business days before each closing or sale to an eligible buyer, the DEVELOPER will provide to the GRANTEE the estimated settlement statement, along with a reconciliation statement and the draft note and mortgage. The reconciliation statement shall account for the pro-ration of NSP project funds to the individual unit, and identify those funds that are to be lent to the buyer secured by the NSP note and mortgage, the amount of developer fee and the amount of net sales proceeds to be returned to GRANTEE.

#### **VII. Contracting, Labor Hiring Provisions**

During the performance of this contract, the DEVELOPER agrees as follows:

- A. The DEVELOPER will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin(s). The DEVELOPER will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin(s). Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The DEVELOPER agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer of the GRANTEE setting forth the provisions of this nondiscrimination clause.

- B. The DEVELOPER will, in all solicitations or advertisements for employees placed by or on behalf of the DEVELOPER, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- C. The DEVELOPER will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor,
- D. The DEVELOPER will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts to the GRANTEE, HUD and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and order,
  - 1. In the event the DEVELOPER is found to be in noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the DEVELOPER may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulations, or order of the Secretary of Labor or as otherwise provided by law.
- E. The DEVELOPER and its subcontractors, shall abide by all regulations pursuant to the Immigration and Naturalization Reform Act of 1986, specifically as it relates to employment and client services, and such other provisions as may be applicable. Should the DEVELOPER perform any work knowing it to be contrary to applicable laws, ordinances, rules, building codes and/or regulations, it shall assume full responsibility therefore and shall bear all costs incurred due to its negligence. The GRANTEE will not be liable for any work performed by the DEVELOPER.
- F. The DEVELOPER represents and warrants compliance with the Immigration and Nationality Act (8 U.S.C. §§ 1101, *et seq.*) (INA) and all other federal and state immigration laws and regulations related to the immigration status of its employees. The DEVELOPER shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the GRANTEE upon request. These representations and warranties shall remain in effect throughout the term of this Agreement. The DEVELOPER shall also maintain Employment Eligibility Verification forms (I-9), as required by the U.S. Department of Labor's Immigration Reform and Control Act of 1986 (Pub. L. No. 99-603), for all employees performing work under the Agreement. I-9 forms are available for download at [USCIS.GOV](http://USCIS.GOV). The DEVELOPER warrants that it is in compliance with A.R.S. § 41-4401 (e-verify requirements) and further acknowledges:
  - a. that it is in compliance with all federal immigration laws and regulations that relate its employees and its compliance with A.R.S. § 23-214;
  - b. that breach of this warranty shall be deemed a material breach of this Agreement and the GRANTEE may immediately terminate this Agreement without liability;

- c. that the GRANTEE retains the legal right to inspect the papers and employment records of any DEVELOPER employee who works on this Agreement to ensure that the DEVELOPER is complying with the warranty provided above and that the DEVELOPER agrees to make all papers and employment records of said employee(s) available during normal working hours in order to facilitate such an inspection.
- H. The DEVELOPER will provide a drug free workplace by:
2. Publishing a statement notifying employees that the unlawful manufacture, distribution dispensing, possession, or use of a controlled substance is prohibited in the grantee's work place and specifying the actions that will be taken against employees for violation of such prohibition;
  3. Establishing an ongoing drug-free awareness program to inform employees about:
    - a. The dangers of drug abuse in the work place;
    - b. The DEVELOPER's policy of maintaining a drug-free work place;
    - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
    - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the work place;
  4. Requiring that each employee to be engaged in the performance of the grant be given a copy of the statement required by item 1;
    - a. Notifying employees in the statement required by item 1 that, as a condition of employment under the grant, the employee will:
      - i. Abide by the terms of the statement;
      - ii. Notify the DEVELOPER in writing of his or her conviction for a violation of a criminal drug statute occurring in the work place no later than five calendar days after such conviction;
  5. Notifying GRANTEE in writing, within ten calendar days after receiving notice from an employee or otherwise receiving actual notice of such conviction;
  6. Taking one of the following actions, within 30 calendar days of receiving notice, with respect to any employee who is convicted:
    - a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
    - b. Require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, local health, law enforcement, or other appropriate agency.
- I. The DEVELOPER shall conduct all contracting and purchases with NSP funds to ensure that materials and services are obtained in a reasonable, customary and cost-effective manner. When procuring for materials and services to be provided under this agreement, the DEVELOPER shall adhere to the following requirements:

- J. The DEVELOPER will follow purchasing procedures that will ensure that fair market pricing will be obtained in the purchase of all supplies, labor, materials and subcontracted items necessary for the successful completion of the project.
7. All contracting and purchasing must remain within the approved project budget as seen in **Exhibit B**.
  8. All materials purchased will be of equal or better than industry standards. All workmanship will be per industry standards and material manufacturers' recommendations.
  9. All single purchases over \$10,000 must have three competitive quotes obtained
  10. The DEVELOPER will give preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.
  11. The DEVELOPER agrees to comply with A.R.S. §§ 35-391.06 and 35-393.06 (business relations with Sudan and Iran). DEVELOPER certifies it does not have scrutinized business operations in Sudan or Iran. DEVELOPER shall obtain statements from its subcontractors certifying compliance and shall furnish to the GRANTEE's Procurement Officer upon request. These warranties shall remain in effect throughout the term of this Agreement. Should the GRANTEE find that DEVELOPER or its subcontractors are not in compliance with this provision, the GRANTEE may pursue any remedies allowed by law, including, but not limited to: suspension of all activities under this Agreement, termination of the Agreement by default, and suspension and/or debarment of DEVELOPER. All costs necessary to verify compliance are the sole responsibility of DEVELOPER.
- K. The DEVELOPER is the responsible authority, without recourse to the GRANTEE, regarding the settlement and satisfaction of all contractual and administrative issues arising out of procurements entered into in support of an award or other agreement. This includes disputes, claims, protests of award, source evaluation, or other matters of a contractual nature. Matters concerning violation of statute are to be referred to such Federal, State, or local authority as may have proper jurisdiction.
- L. The DEVELOPER will include the provisions of this Section in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The DEVELOPER will take such action with respect to any subcontract or purchase order as the GRANTEE may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the DEVELOPER becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the GRANTEE, the DEVELOPER may request the United States to enter into such litigation to protect the interest of the United States.
- M. The DEVELOPER agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

- N. The DEVELOPER agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement.
- O. The DEVELOPER agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The DEVELOPER shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the GRANTEE for review upon request.
- P. The DEVELOPER will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in Section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group developers or women. The DEVELOPER may rely on written representations by businesses regarding their status as minority and women-owned business enterprises in lieu of an independent investigation.
- R. The DEVELOPER agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the GRANTEE pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the DEVELOPER of its obligation, if any, to require payment of the higher wage. The DEVELOPER shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph. The DEVELOPER shall comply with the provisions of the Copeland Anti-Kick-Back Act (18 U.S.C. 874) as supplemented in the AGENCY of Labor Regulations (29 CFR Part 3), as amended.
- S. Compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the GRANTEE, the DEVELOPER and any of the DEVELOPER's contractors and subcontractors. The DEVELOPER certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.
- I. The DEVELOPER further agrees to comply with these Section 3 requirements and to include the following language in all subcontracts executed under this Agreement: "The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to



the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located,"

2. The DEVELOPER further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the NSP funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the NSP-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

3. The DEVELOPER further warrants and agrees to include or cause to be included the criteria and requirements of this Section in every non-exempt subcontract in excess of \$100,000. The DEVELOPER also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.

- T. The DEVELOPER shall not enter into a subcontract or subrecipient agreement with a person or organization that is debarred, suspended, declared ineligible, or voluntarily excluded from participation. The GRANTEE may pursue available remedies in the event of such occurrence, including immediate termination of this Agreement.

#### **VIII. Compliance with Other Federal, State & Local Laws**

- A. The DEVELOPER covenants and warrants that it will comply with all applicable laws, ordinances, codes, rules and regulations of the state local and federal governments, and all amendments thereto.
- B. Environmental review— All NSP assistance is subject to the National Environmental Policy Act of 1969 and related federal environmental authorities and regulations at 24 CFR Part 58.
1. No NSP project funds will be advanced, and no costs can be incurred, until the GRANTEE has conducted an environmental review of the proposed project site as required under 24 CFR Part 58. The environmental review may result in a decision to proceed with, modify or cancel the project. Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the GRANTEE of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58.
  2. Further, the DEVELOPER will not undertake or commit any funds to physical or choice-limiting actions, including property acquisition, demolition, movement,

rehabilitation, conversion, repair or construction prior to the environmental clearance, and must indicate that the violation of this provision may result in the denial of any funds under the agreement.

3. A copy of the Environmental Review Record shall be maintained by both the DEVELOPER and the GRANTEE.
- C. Flood Disaster Protection — In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the DEVELOPER shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation.)
- D. Historic Preservation — The DEVELOPER agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.
- E. Relocation — The DEVELOPER agrees to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24; 24 CFR Part 42 — Displacement, Relocation Assistance and Real Property Acquisition for HUD and HUD Assisted Programs; and 24 CFR 570.606 — Displacement, relocation acquisition, and replacement of housing, as may be amended by the NSP NOFA, The DEVELOPER also agrees to comply with applicable GRANTEE or local ordinances, resolutions and policies concerning the displacement of persons.
1. To meet these requirements, the owner of record must be notified in writing that Federal financial assistance will be used in the transaction and that if agreement cannot be reached through negotiation, that the acquisition will not take place. There are specific URA voluntary acquisition requirements that must be met depending on whether or not the buyer has the power of eminent domain and will not use it (see 49 CFR 24.101(b)(1)(i)-(iv)) or if the buyer does not have the power of eminent domain (see 49 CFR 24.101(b)(2)). Any acquisition under possible threat of eminent domain cannot be considered a "voluntary acquisition" (even if the seller is willing to negotiate).
  2. The relocation provisions of the Uniform Relocation Act apply to NSP funds. An unlawful occupant (see 49 CFR 24.2(a)(29)) who is displaced for an NSP-funded acquisition will not be entitled to relocation assistance and payments. However, a lawful occupant displaced for an NSP-funded acquisition will generally be eligible for relocation assistance and payments under URA, The DEVELOPER shall provide appropriate relocation assistance (URA or Section 104(d)) to eligible displaced persons as defined by applicable I-IUD and/or URA regulations that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for an NSP-assisted project.

- F. The DEVELOPER agrees to comply with applicable state and local civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended (the HCDA), Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086, and will include the provisions in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its contractors and subcontractors.
- G. The DEVELOPER agrees to comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
- H. The DEVELOPER agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the United States Code, The DEVELOPER is prohibited from using funds provided herein or personnel employed in the administration of the program for inherently religious activities, lobbying, political patronage, and nepotism activities.
- Conflict of Interest — The provisions of 24 CFR 570.611, apply to the award of any contracts under the agreement and the selection of buyers for NSP-assisted units. No member or Delegate to the Congress of the United States shall be permitted to any share or part of this contract or any benefit here from. No member, officer or employee of the GRANTEE; or its designees, or agents; or member of the GRANTEE Council of the GRANTEE; and no other public official of the GRANTEE who exercises any functions or responsibilities with respect to the program during his tenure or for one (1) year thereafter, shall have any interest direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed under this agreement. DEVELOPER will be required to maintain documentation regarding conflicts of interest in the program files. The Conflict of Interest Statement for HUD Assisted Programs (Attachment B) must be obtained from any recipient of program assistance.
- I. DEVELOPER acknowledges that award funds shall only be disbursed to a natural person participating in the NSP3 Program after that person produces documentation certifying to DEVELOPER his or her lawful presence in the United States, as required by A.R.S. §§ 1-501 or 1502, as applicable.

#### **XI. Reporting, Monitoring Access to Records**

- J. The DEVELOPER agrees to submit any and all reports required by HUD or the GRANTEE.
- K. The DEVELOPER shall collect and maintain Project beneficiary information pertaining to household size, income levels, racial characteristics, and the presence of Female Headed Households in order to determine low and moderate-income benefit in a cumulative and individual manner. Income documentation shall be in a form consistent with NSP requirements; all beneficiary information shall be reported no less than quarterly.
- L. The DEVELOPER agrees to meet with GRANTEE to discuss current activities no less than quarterly.

- M. The DEVELOPER agrees to provide the GRANTEE access to records and projects at any time during project implementation and for five years after project closeout for purposes of verifying compliance with NSP requirements and this agreement. Access shall be immediately granted to the GRANTEE, HUD, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the DEVELOPER or its contractors which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions,
- N. The GRANTEE reserves the right to audit the records of the DEVELOPER any time during the performance of this Agreement and for a period of five years after final payment is made under this Agreement. If required by A-133, the DEVELOPER will provide the GRANTEE with a certified audit of the DEVELOPER's records representing the Fiscal Year during which the PROJECT becomes complete.
- O. Project Closeout—The DEVELOPER's obligation to the GRANTEE shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, accounting for use of funds, provision of all reports and records required by the GRANTEE. DEVELOPER will provide GRANTEE with complete copies of project files, including before and after photos, for each property assisted with NSP funds,

#### **X. Suspension & Termination**

In accordance with 24 CFR 85.43, suspension or termination may occur if the DEVELOPER materially fails to comply with any term of the award, and that the award may be terminated for convenience in accordance with 24 CFR 85.44,

- A. If the DEVELOPER fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of the agreement or if the DEVELOPER refuses or fails to proceed with the work with such diligence as will ensure its completion within the time fixed by the schedule set forth in this agreement, the DEVELOPER shall be in default and notice in writing shall be given to the DEVELOPER of such default by the GRANTEE or an agent of the GRANTEE. If the DEVELOPER fails to cure such default within such time as may be required by such notice, the GRANTEE may at its option terminate and cancel the contract.
  - 1. In the event of such termination, all funds awarded to the DEVELOPER pursuant to this agreement shall be immediately revoked and any approvals related to the PROJECT shall immediately be deemed revoked and canceled. In such event, the DEVELOPER will no longer be entitled to receive any compensation for work undertaken after the date of the termination of this agreement, as the grant funds will no longer be available for this project.
  - 2. In such event, the DEVELOPER shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder to the date of said termination.
  - 3. Notwithstanding the above, the DEVELOPER shall not be relieved of liability to the GRANTEE for damages sustained by the GRANTEE by virtue of any breach of the contract by the DEVELOPER and the GRANTEE may withhold any payments to the DEVELOPER for the purpose of setoff until such time as the exact amount of damages due the GRANTEE

from the DEVELOPER is determined whether by court of competent jurisdiction or otherwise.

4. Such termination shall not effect or terminate any of the rights of the GRANTEE as against the DEVELOPER then existing, or which may thereafter accrue because of such default, and the foregoing provision shall be in addition to all other rights and remedies available to the GRANTEE under the law and the note and mortgage (if in effect), including but not limited to compelling the DEVELOPER to complete the project in accordance with the terms of this agreement, in a court of equity.
5. The waiver of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

## **XI. General Conditions**

- B. All notices or other communication which shall or may be given pursuant to this Agreement shall be in writing and shall be delivered by personal service, or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time. Such notice shall be deemed given on the day on which personally served; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.
- C. Title and paragraph headings are for convenient reference and are not a part of this Agreement.
- D. In the event of conflict between the terms of this Agreement and any terms or conditions contained in any attached documents, the terms in this Agreement shall rule.
- E. No waiver or breach of any provision of this Agreement shall constitute a waiver of a subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.
- F. The GRANTEE's failure to act with respect to a breach by the DEVELOPER does not waive its right to act with respect to subsequent or similar breaches. The failure of the GRANTEE to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.
- G. Both parties acknowledge that no member of the governing body of the GRANTEE, or any employees of the GRANTEE, who exercise any functions or responsibilities in connection with the carrying out of the NSP3 Program may have any personal interest, direct or indirect, in this Agreement.
- H. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto and contains all the covenants and agreements between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which is not embodied herein.
- I. The invalidity in whole or in part of any provisions of this Agreement shall not void or affect the validity of any other provision of the Agreement.
- J. Any amendments to this Agreement shall be in writing and signed by both parties.

- K. The parties hereto agree that this Agreement shall be construed and enforced according to the laws of the State of Colorado and all applicable federal laws and regulations - venue in Adams County.
- L. Should any provisions, paragraphs, sentences, words or phrases contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Colorado or the GRANTEE, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable to conform with such laws, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect.
- M. The obligations undertaken by DEVELOPER pursuant to this Agreement shall not be delegated or assigned to any other person or agency unless GRANTEE shall first consent to the performance or assignment of such service or any part thereof by another person or agency.
- N. The Agreement shall be binding upon the parties hereto, their heirs, executors, legal representative, successors and assigns.
- O. DEVELOPER shall indemnify and save GRANTEE harmless from and against any negligent claims, liabilities, losses and causes of action which may arise out of DEVELOPER's activities under this Agreement, including all other acts or omissions to act on the part of DEVELOPER, including any person acting for or on its behalf, and, from and against any orders, judgments, or decrees which may be entered and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claims, or in the investigation thereof.
- P. DEVELOPER and its employees and agents shall be deemed to be independent contractors, and not agents or employees of the GRANTEE, and shall not attain any rights or benefits under the civil service or pension ordinances of the GRANTEE, or any rights generally afforded classified or unclassified employee; further they shall not be deemed entitled to state Compensation benefits as an employee of the GRANTEE.
- Q. DEVELOPER assumes full responsibility for the actions of its personnel while performing services under this Agreement, and shall be solely responsible for their supervision, daily direction and control, payment of salary (including withholding income taxes and social security), worker's compensation and disability benefits.
- R. Funding for this Agreement is contingent on the availability of funds and continued authorization for program activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.
- S. DEVELOPER shall obtain and keep in place insurance on the subject properties adequate to \$1,000,000 per occurrence and \$2,000,000 aggregate. This requirement shall end for each subject property when the property is sold to an eligible homebuyer.
- T. DEVELOPER shall maintain and provide proof of Commercial General Liability insurance to GRANTEE for all operations performed within the scope of this Agreement. Commercial General Liability insurance shall have a limit of not less than \$1,000,000 for each occurrence and a \$2,000,000 General Aggregate Limit.

The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Agreement which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00011093 or any replacements thereof. The coverage shall not exclude X, C, U,

Such policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, nor any provision which would serve to limit third party action over claims. Policy shall name the GRANTEE as additional insured.

All certifications of insurance must provide for thirty (30) day notice to the GRANTEE of cancellation, non-renewal or material change.

- U. DEVELOPER certifies to the best of its knowledge and belief that it and its principals:
1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  2. Have not within a 3-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  3. are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses 'enumerated in paragraph (b) of this certification, and
  4. Have not within a 3-year period preceding this Agreement had one or more public transactions (federal, state, or local) terminated for cause or default.
  5. Shall notify the GRANTEE if, at any time during the term of this Agreement, it is debarred, suspended, declared ineligible, or voluntarily excluded from participation. The GRANTEE may pursue available remedies in the event of such occurrence, including immediate termination of this Agreement.
- V. The DEVELOPER is responsible to stay informed of any changes made to NSP regulations or program limits that affect the project, including but not limited to income limits. DEVELOPER shall promptly notify the GRANTEE, in writing, of any necessary program changes. Changes shall be accomplished by appropriate written modification.
- W. DEVELOPER shall acknowledge the contributions of the Adams County Community Development's Neighborhood Stabilization Program in all published literature, brochures, programs, fliers, etc., during the term of the agreement. Compliance shall be enforced by periodic site reviews.

**XII. Independent Contractor**

Developer shall perform its duties hereunder as an independent contractor and not as an employee. Neither Developer nor any agent or employee of Developer shall be deemed to be an agent or employee of the County. Developer and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the County and the County shall not pay for or otherwise provide such coverage for Developer or any of its agents or employees. Unemployment insurance benefits will be available to Developer and its employees and agents only if such coverage is made available by Developer or a third party. Developer shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to the Agreement. The Developer shall not have authorization, express or implied, to bind the County to any contract, liability or understanding, except as expressly set forth in the agreement. Contractor shall; a. Provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, b. Provide proof thereof when requested by the County, and c. Be solely responsible for its acts and those of its employees and agents.

**XIII. Notice:**

Any notices given under this Agreement are deemed to have been received and to be effective: (1) three (3) days after the same shall have been mailed by certified mail, return receipt requested; (2) immediately upon hand delivery; or (3) immediately upon receipt of confirmation that a facsimile was received. For the purposes of this Agreement, any and all notices shall be addressed to the contacts listed below:

**County:**

Claire Mannato, Project Manager  
Interim Community Development Administrator  
4430 South Adams County Pkwy  
Brighton, Colorado 80601  
Office: 720.523.6054  
[cmannato@adcogov.org](mailto:cmannato@adcogov.org)

and Purchasing Department  
4430 South Adams County Pkwy, 4<sup>th</sup> Flr.  
Brighton, Colorado 80601

and Adams County Attorney's Office  
4430 South Adams County Pkwy, 5<sup>th</sup> Flr.  
Brighton, Colorado 80601

**Contractor:**

Rebecca Wiener  
Corporate Compliance Officer  
Community Resources & Housing Development Corp.  
7305 Lowell Blvd., Ste 200  
Westminster, CO 80030  
Office: 303.428.1448 x229  
[rebecca@crhdc.org](mailto:rebecca@crhdc.org)



Signature Page

IN WITNESS WHEREOF, the Parties have caused their names to be affixed hereto.

CONTRACTOR  
COMMUNITY RESOURCES AND  
HOUSING DEVELOPMENT CORPORATION  
(CRHDC)

BOARD OF COUNTY COMMISSIONERS  
ADAMS COUNTY, COLORADO

By: Al Gold  
Name (Print or Type)

By: [Signature]  
Chair Signature

[Signature]  
Authorized Signature

Date: 11-14-12

Executive  
Title

Date: 11-1-12

ATTEST:  
Karen Long  
Clerk and Recorder



[Signature]  
Deputy Clerk Signature

APPROVED AS TO FORM:  
Adams County Attorney's Office

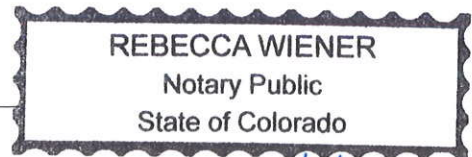
By: [Signature]  
Attorney Signature

Signed and sworn to before me on this 1<sup>st</sup> day of NOVEMBER, 2012

by AL GOLD

[Signature]  
Notary Public

My commission expires on: 4/8/2015



My Commission Expires 4/8/2015

**ATTACHMENT A**

(Documents following this page of the Agreement)

**Attachments:**

1. CRHDC Scope of Services
2. Project Budget
3. Project Cost Assumptions
4. Project Completion Timeline
5. Homebuyer Counseling and Education Services
6. Lending Services

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**Attachment A1**

**SCOPE OF SERVICES  
HOME - NSP**

**Project Description:**

CRHDC will use NSP3 funding to acquire at least 7 foreclosed or abandoned properties and renovate or rebuild them for sale to low-to-moderate income mortgage-ready households with a minimum of \$5,000 of principal reduction or down payment assistance. All of the NSP3 funds awarded to CRHDC would be invested in the acquisition and rehabilitation of homes in targeted parts of Adams County: Welby, Sherrelwood and Commerce City, in places where community members have fewer resources available to rehabilitate housing on their own.

**Measurable Outcomes:**

7 # of new homeowners assisted

**CHDO Administration Only:**

\_\_\_\_\_ # of homeowner units constructed

\_\_\_\_\_ # of units managed

\_\_\_\_\_ # of owner-occupied units rehabilitated

\_\_\_\_\_ # of projects managed

\_\_\_\_\_ # of rental units acquired

**NSP Administration Only:**

\_\_\_\_\_ # of rental units rehabilitated

7 # of single family units acquired

7 # of single family units rehabilitated

2 # of single family units sold to <50% AMI

**Population to be served:**

- 0% – 30% AMI
- 31% - 50% AMI
- 51% - 80% AMI
- Special Needs Population (seniors, disabled)
- x 80% - 120% AMI

**HOME-Funded Activities:**

- Homebuyer Downpayment Assistance
- Homeowner Rehabilitation
- Homeownership Construction
- Acquisition of Rental Housing
- Rehabilitation of Rental Housing
- Acquisition and Rehabilitation of Rental Housing
- Tenant-based Rental Assistance
- CHDO Administration
- CHDO Project Activities

**NSP-Funded Activities:**

- Land Banking
- Acquisition of SF Homes
- Rehabilitation of SF Homes
- Resale of SF Homes
- Downpayment Assistance
- Acquisition of MF Units
- Rehabilitation of MF Units
- Management of MF Units
- Other: Principal Reduction

Budget Summary

**Total Budget (Federal Share and Matching)**

Attachment 2

Name and Address of Applicant \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Detailed Description of Budget (for full grant period)

Category					
1. Personnel (Direct Labor)	Estimated Hours	Rate per Hour	Estimated Cost	Federal Share	Match
Position or Individual					
na	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
<b>Total Direct Labor Cost</b>			\$0	\$0	\$0
2. Fringe Benefits	Rate	Base	Estimated Cost	Federal Share	Match
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0
<b>Total Fringe Benefits Cost</b>			\$0	\$0	\$0
3. Travel					
3a. Transportation - Local Private Vehicle	Mileage	Rate per Mile	Estimated Cost	Federal Share	Match
	0	\$0.000	\$0	\$0	\$0
		\$0.000	\$0	\$0	\$0
		\$0.000	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Subtotal - Trans - Local Private Vehicle</b>			\$0	\$0	\$0
3b. Transportation - Airfare (show destination)	Trips	Fare	Estimated Cost	Federal Share	Match
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
<b>Subtotal - Transportation - Airfare</b>			\$0	\$0	\$0

**Budget Summary**

**Total Budget (Federal Share and Matching)**

Attachment A2

Name and Address of Applicant \_\_\_\_\_

**Detailed Description of Budget (for full grant period)**

**Category**

<b>1. Personnel (Direct Labor)</b>	<b>Estimated Hours</b>	<b>Rate per Hour</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
<b>Position or Individual</b>					
na	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
	0	\$0.00	\$0	\$0	\$0
<b>Total Direct Labor Cost</b>			\$0	\$0	\$0
<b>2. Fringe Benefits</b>	<b>Rate</b>	<b>Base</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
	0.00%	\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0
		\$0	\$0	\$0	\$0
<b>Total Fringe Benefits Cost</b>			\$0	\$0	\$0
<b>3. Travel</b>					
<b>3a. Transportation - Local Private Vehicle</b>	<b>Mileage</b>	<b>Rate per Mile</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
	0	\$0.000	\$0	\$0	\$0
		\$0.000	\$0	\$0	\$0
		\$0.000	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Subtotal - Trans - Local Private Vehicle</b>			\$0	\$0	\$0
<b>3b. Transportation - Airfare (show destination)</b>	<b>Trips</b>	<b>Fare</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
<b>Subtotal - Transportation - Airfare</b>			\$0	\$0	\$0

### Budget Summary

## Total Budget (Federal Share and Matching)

### Detailed Description of Budget

3c. Transportation - Other	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
		\$0.00	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Subtotal - Transportation - Other</b>			\$0	\$0	\$0
<b>3d. Per Diem or Subsistence (Indicate location)</b>	<b>Days</b>	<b>Rate per Day</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Subtotal - Per Diem or Subsistence</b>			\$0	\$0	\$0
<b>Total Travel Cost</b>			\$0	\$0	\$0
<b>4. Equipment (Only Items over \$5,000 each)</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
		\$0.00	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Total Equipment Cost</b>			\$0	\$0	\$0
<b>5. Supplies and Materials (Items under \$5,000)</b>					
<b>5a. Consumable Supplies</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Subtotal - Consumable Supplies</b>			\$0	\$0	\$0
<b>5b. Non-Consumable Materials</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Subtotal - Non-Consumable Materials</b>			\$0	\$0	\$0
<b>Total Supplies and Materials Cost</b>			\$0	\$0	\$0

**Budget Summary**

**Total Budget (Federal Share and Matching)**

Detailed Description of Budget					
<b>6. Consultants (Type)</b>	<b>Days</b>	<b>Rate per Day</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
		\$0.00	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Total Consultants Cost</b>			\$0	\$0	\$0
<b>7. Contracts and Sub-Grantees (List individually)</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
	0	\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
		\$0.00	\$0	\$0	\$0
<b>Total Subcontracts Cost</b>			\$0	\$0	\$0
<b>8. Other Direct Costs</b>	<b>Quantity</b>	<b>Unit Cost</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
<b>Item</b>					
ACQUISITION	7	\$116,660.28	\$816,622	\$816,622	\$0
REHAB	7	\$81,808.50	\$572,660	\$472,563	\$100,097
ENGINEERING	7	\$500.00	\$3,500	\$3,500	\$0
INSURANCE AND CARRYING COSTS	7	\$4,251.50	\$29,761	\$29,761	\$0
WARRANTY AND DISPOSITION COSTS	7	\$18,000.00	\$126,000	\$126,000	\$0
DEVELOPER FEE (12%)	7	\$26,077.50	\$182,543	\$182,543	\$0
LOAN SUBSIDY (DPA)	7	\$21,400.00	\$149,800	\$149,800	\$0
COUNSELING AND LENDING FEES	7	\$2,400.00	\$16,800	\$16,800	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Total Other Direct Costs</b>			\$1,897,686	\$1,797,589	\$100,097
<b>9. Indirect</b>	<b>Rate</b>	<b>Base</b>	<b>Estimated Cost</b>	<b>Federal Share</b>	<b>Match</b>
<b>Type</b>					
	0.00%	\$0.00	\$0	\$0	\$0
	0.00%	\$0.00	\$0	\$0	\$0
	0.00%	\$0.00	\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
			\$0	\$0	\$0
<b>Total Indirect Costs</b>			\$0	\$0	\$0
<b>Total Estimated Costs</b>			\$1,897,686	\$1,797,589	\$100,097
<b>Total of Federal Share and Match</b>				<b>\$1,897,686</b>	

<b>Analysis of Total Estimated Costs</b>	<b>Estimated Cost</b>	<b>Percent of Total</b>	<b>Percent of Labor</b>
1 Personnel (Direct Labor)	\$0	0.0%	
2 Fringe Benefits	\$0	0.0%	0.0%
3 Travel	\$0	0.0%	
4 Equipment	\$0	0.0%	
5 Supplies and Materials	\$0	0.0%	
6 Consultants	\$0	0.0%	
7 Contracts and Sub-Grantees	\$0	0.0%	
8 Other Direct Costs	\$1,897,686	100.0%	
9 Indirect Costs	\$0	0.0%	
<b>Total</b>	<b>\$1,897,686</b>	<b>100.0%</b>	
<b>Federal Share</b>	<b>\$1,797,589</b>	<b>94.73%</b>	
<b>Match</b>	<b>\$100,097</b>	<b>5.57%</b>	<b>Expressed as a percentage of the Federal Share</b>

Some cells in this spreadsheet are protected. There is no password for this spreadsheet.



### Budget Information

### ATTACHMENT A2.1

OMB Approval No. 0348-0044

Section A - Budget Summary						
Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.	Do	Not	Complete	This	Section	
4.						
5.	Totals					
Section B - Budget Categories						
6. Object Class Categories		Grant Program, Function or Activity				(5) Grand Total
		(1) HUD Request	(2) Match			
a. Personnel (Direct Labor)		\$0	\$0			\$0
b. Fringe Benefits		\$0	\$0	Do	Do	\$0
c. Travel		\$0	\$0	Not	Not	\$0
d. Equipment		\$0	\$0	Use	Use	\$0
e. Supplies and Materials		\$0	\$0	This	This	\$0
f. Consultants		\$0	\$0	Column	Column	\$0
g. Contracts and Sub-Grantees		\$0	\$0			\$0
h. Other Direct Costs		\$1,800,097	\$100,097			\$1,900,194
i. Total Direct Charges (sum of 6a-6h)		\$1,800,000	\$100,097			\$1,900,097
j. Indirect Costs		\$0	\$0			\$0
k. Totals (sum of 6i and 6j)		\$1,800,000	\$100,097			\$1,900,097
7. Program Income						

**ATTACHMENT A3**

**ADAMS COUNTY, COLORADO DEPT OF COMMUNITY DEVELOPMENT HOUSING \* HOUSING DEVELOPMENT ANALYSIS SPREADSHEET**

Project Name:  
 Date: 6/18/2012  
 Applicant: CRHDC  
 Spreadsheet Version: NSP3

Number of Units 7

<u>Development Costs</u>	<u>Total Cost</u>	<u>Cost/Unit</u>
<b>ACQUISITION COSTS</b>		
Land	0	0
Existing Structures *	700,000	100,000
Appraisals & Market Study	2,100	300
Tier 2 Environmental	1,400	200
Police Reports	350	50
Home Inspections	1,750	250
Sewer Scope (Without Warranty)	833	119
Closing Costs-Purchase	14,000	2,000
	<hr/>	<hr/>
	720,433	102,919
<b>CONSTRUCTION COSTS</b>		
Building Permit Fees *	2,100	300
Abatement	84,000	12,000
Construction *	402,500	57,500
Landscaping *	15,960	2,280
Construction Contingency * (15%)	75,684	10,812
	<hr/>	<hr/>
	580,244	82,892
<b>DESIGN FEES</b>		
Architect Fees	0	0
Structural Engineer	3,500	500
	<hr/>	<hr/>
	3,500	500
<b>INTERIM COSTS</b>		
Property Insurance	5,600	800
Carrying Costs- Asset management	1,400	200
Carrying Costs- Real Estate Taxes	8,011	1,144
Carrying Costs- Utilities	5,000	714
Carrying Costs- Site Security	4,500	643
Carrying Costs- Grounds Maintenance	5,250	750
	<hr/>	<hr/>
	29,761	4,252
<b>DISPOSITION</b>		
Warranty	56,000	8,000
Closing Costs-Disposition	70,000	10,000
	<hr/>	<hr/>
	126,000	18,000
<b>FEES</b>		
Developer's Fee (12%)	171,621	24,517
	<hr/>	<hr/>
	171,621	24,517
<b>ADDITIONAL PROGRAM EXPENSE</b>		
Loan Subsidy	149,800	21,400
	<hr/>	<hr/>
	149,800	21,400
<b>TOTAL DEVELOPMENT EXPENSES</b>		
	1,781,359	254,480
<b>PROGRAM EXPENSE (Non-Development)</b>		
Counseling/HBE Fees (CRHDC HOC)	10,500	1,500
Lending Fees & Servicing	6,300	900
Total	16,800	2,400
<b>Total</b>	<b>1,798,159</b>	<b>256,880</b>

\*CHE to CRHDC

## ATTACHMENT A4

### SCHEDULE OF COMPLETION OF SERVICES

October 2012	-	Sign final contracts
December 2012	-	Acquired at least one home
January 2013	-	Acquire at least four homes
July 2013	-	Acquired seven homes
January 2014	-	All properties sold to eligible homeowners
February 2014	-	Project Completion

## ATTACHMENT 5

### NSP3 Homebuyer Counseling and Education Services

CRHDC Home Ownership Center - Counseling Department (HOC)

Community Resources and Housing Development Corporation through its Home Ownership Center (HOC) agrees to provide services necessary to deliver certified home buyers to purchase properties and conduct business for NSP3. Services provided by the CRHDC HOC shall include:

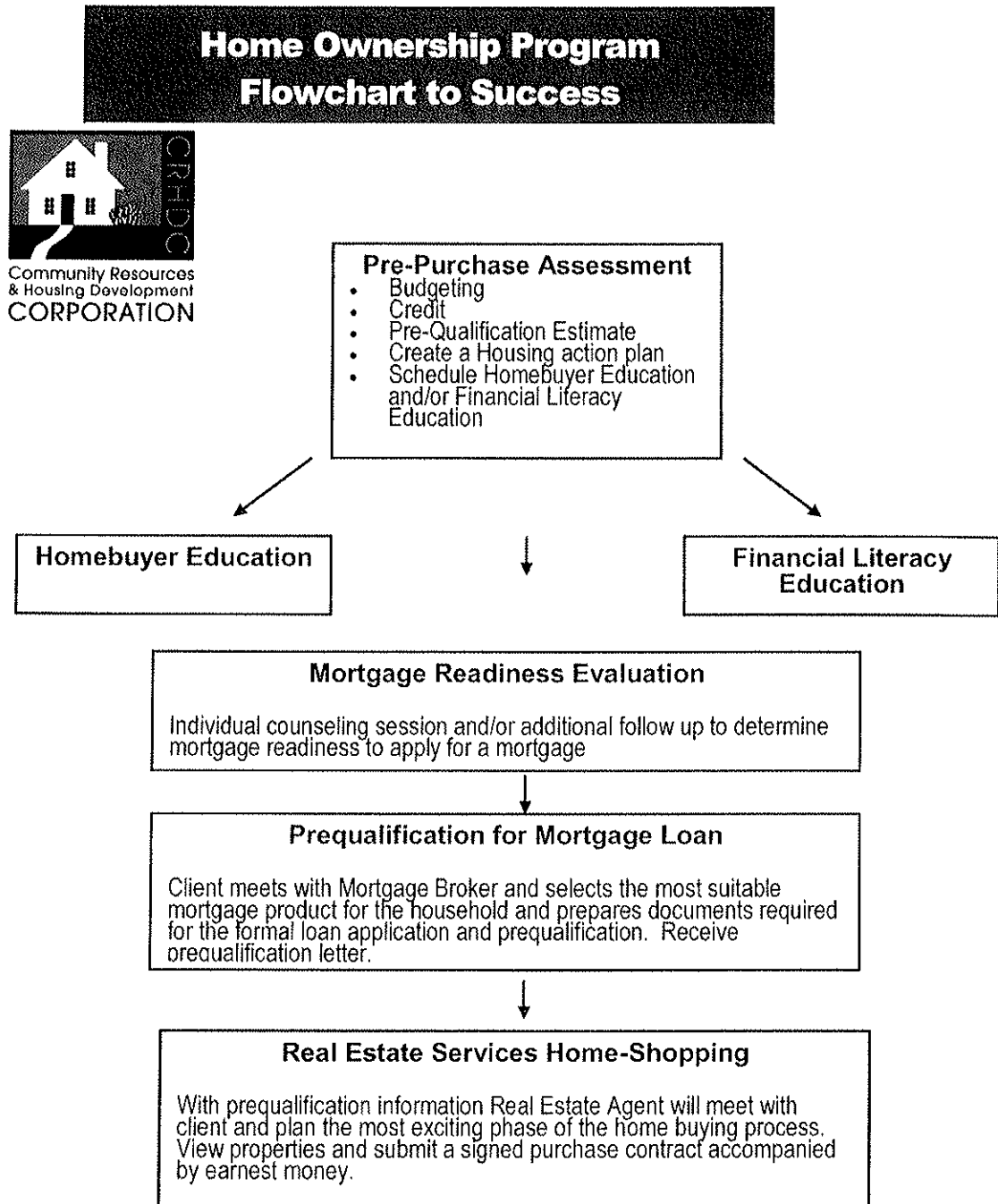
- Provide homebuyer education and/or counseling services according to the curriculum outlined in contract appendices and determine eligibility to participate in Adams County NSP3 program;
  - Appendix A: Homeownership Center Flowchart to Success
  - Appendix B: Pre-Purchase Assessment
  - Appendix C: Homebuyer Education Curriculum
  - Appendix D: Certificate of Eligibility to Participate in NSP3 Program
- Educate prospective borrowers in the home buying and financing process to include explaining the different types of loan products available for first and second mortgage loans and demonstrating how closing costs and monthly payments and escrows would vary with each product.
- Assist clients in understanding and resolving or adequately explaining derogatory credit information.
- Income and credit qualify potential homeowners for NSP3 by reviewing credit report and overcoming credit challenges and verification of payroll, taxes and household size.
- Provide certification of income and credit qualification for eligibility to purchase a home under NSP3.

#### Compensation:

- In consideration of providing all services listed above, Adams County will pay an education fee of \$1,500 for each successful home that is closed under the NSP3 program. These funds are incorporated as a line item in Project Budget- Exhibit B
- The CRHDC HOC will be paid the education fee (mentioned above) at the time of the loan closing(s). The CRHDC HOC will be compensated for each loan within 30 days of closing.

ATTACHMENT 5.1

Appendix A: Homeownership Center Flowchart to Success



**ATTACHMENT 5.2**  
**Appendix B: Pre-Purchase Assessment**



7305 Lowell Blvd, Suite 200  
Westminster, CO 80030  
Phone (303) 428-1448  
Fax (303) 428-1989  
[www.crhdc.org](http://www.crhdc.org)

Pre-Purchase Assessment Topics that will be discussed during appointment:

- Client Homeownership Goal/ Clients Mortgage Readiness Assessment
- Budget
- Budget Verification- Supporting Documentation
- Credit - Pull & Review
- Pre-qualification Analysis – Determine Mortgage Affordability
- Revisit Goal (Determine if home ownership meets clients lifestyle)
- Action Plan to achieve Home Ownership Goals
- Income Verification
- Verification of Eligibility to Participate in NSP3 Program

The following documentation is reviewed during the Pre-Purchase Assessment Appointment:

- (3) Three Months Recent Paycheck Stubs (60 days) and/or other eligible household income documentation
- (3) Three Most Recent Bank Statements
- (3) Three years Tax Returns with W2's
- Asset Documentation (401k, IRA's etc.)
- Bankruptcy Documentation (if applicable)
- Colorado Driver's License or ID's, Social security card
- Proof of Citizenship or Resident Alien Card
  
- Recent Credit Report (if applicable)

ATTACHMENT 5.3

**Appendix C: Certificate of Eligibility to Participate in NSP3**



**Certification of Eligibility to Participate in NSP3 Program**

Prepared by: \_\_\_\_\_ [Title]

Buyer(s) Name:

Address:

Phone:

Mobile phone:

E-mail:

Date:

**Data Points**

Household Income:

Area Median Income (percent & County):

Education Level:

Language:

Ethnicity:

Date of Birth:

Gender:

Employment Status:

Marital Status:

Members in Household:

Completed 8 Hours Education:

**Income Verification (not attached)**

**Credit Verification**

Two (2) Months Current Paystubs (employment verification)

Late payments: (within 24 months)

Three (3) Years Income Tax Returns (with W2's)

Trade Lines: (3)

Three (3) Months Current Bank Statements

Middle Credit Score & Source: \_\_\_\_\_

\_\_\_\_\_

**Miscellaneous**

Verified Proof of Citizenship or Legal Resident Status

Attend HBE Date: \_\_\_\_\_

\_\_\_\_\_

Applicant Name

Co-Applicant Name

Signature/Date

Signature/Date

Counselor Name

Signature/Date

## ATTACHMENT 6

### Agreement Lending Services

To further increase the affordability of the NSP-3 home purchase, a "soft second mortgage" will be offered to each eligible homebuyer from the NSP-3 Funds awarded. Homebuyer assistance will be provided in the form of a deferred, zero percent interest loan with a term of 5, 10 or 15 years depending on the amount of monetary assistance provided. These funds are included in the amount of funding provided under this agreement, and not an additional amount, and represent a transfer of some of the NSP assistance used by Adams County to the eligible buyer.

Community Resources and Housing Development Corporation, through its affiliate, Colorado Housing Enterprises (CHE) agrees to provide services necessary to deliver Homebuyer Assistance loans to certified homebuyers to purchase properties and to service these loans as required on a continued basis.

CHE shall provide all labor, services, equipment and materials reasonably necessary to administer the Programs in accordance with the terms, conditions and other provisions of this Agreement, of the Grant Contract, and of the loan agreements providing funding for the Programs. Without limiting the foregoing, CHE shall expeditiously perform and carry out, in a satisfactory and proper manner, the services as described and set forth in this Exhibit.

CHE shall assume a leadership role to inform the public of the availability and general guidelines of the Homebuyer Assistance Program ("Program"), whereas CHE shall administer all functional aspects of the Program, performing all those acts reasonably necessary to fund the Program loans. This includes, but is not limited to:

CHE will receive, review and accept or reject loan applications from, or on behalf of, prospective borrowers in the Programs. If an application is accepted, CHE shall prepare all of the documents necessary to manifest the loan, Adams County's security interest, the conformance of the loan to the respective Program, and compliance with all applicable laws, rules and regulations, in addition to conformance with terms and conditions of the underlying funding source of the loan.

CHE shall coordinate with primary mortgage lenders to facilitate the origination of loans under the Program. CHE shall educate lenders regarding the criteria for the Program.

CHE shall invoice borrowers periodically, when applicable, according to the terms of the loan agreement, receive payments, record transactions, deposit payments for the benefit of Adams County, and perform all necessary accounting functions for such activities as may be required by Adams County or underlying funding sources, when appropriate. CHE shall process the cancellation of evidence of indebtedness and release of security interest as loans are fully satisfied. CHE shall inform Adams County of a borrower's default or suspected default of any term or condition of the loan agreement, though Adams County will assume full responsibility for exercising remedies of default as specified in the loan and security instrument, including foreclosure or treatment under bankruptcy proceedings of the borrower.



CHE shall retain sole responsibility for determining eligibility of loan applicants under prevailing Program Criteria of those Programs covered under this Agreement. Whenever CHE denies an application, CHE shall deliver written notice ("Notice of Credit Denial"), specifying the reasons for denial and source(s) of any adverse verification, if applicable, to the applicant within three (3) business days of such determination. CHE shall keep on record, for a period of one year, a loan Qualification Worksheet that demonstrates all relevant application detail and reasons for denial.

CHE shall execute, as loan servicing agent for Adams County, security instruments, releases, conveyances, and such other documents as are reasonably necessary to document, enforce and release loans and the security therefore, subject to the limitations and conditions of, and only to the extent authorized to do so by, where evidence of such power is demonstrated by the agreement herein.

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