MEMORANDUM OF UNDERSTANDING
FLORIDA HOUSING FINANCE CORPORATION
AND
BREVARD COUNTY HOUSING FINANCE AUTHORITY
(Local HFA Hardest Hit Fund Downpayment Assistance)

1. This Memorandum of Understanding ("MOU") is entered into by and between the Florida Housing Finance Corporation ("Florida Housing") and the Brevard County Housing Finance Authority (the "Brevard County HFA"), for the purpose of documenting the parties' mutual understanding regarding the provision and proper use of funds made available by Florida Housing to the Brevard County HFA and certain other local housing finance authorities, under the Florida Hardest Hit Fund Downpayment Assistance ("HHF DPA") program administered by Florida Housing. References herein to the Local HFAs or Local HFA shall include the Brevard County HFA.

2. Under the HHF DPA program administered by Florida Housing, the HHF DPA funds are used by Florida Housing to provide downpayment and closing cost assistance to qualified homebuyers in the form of a second mortgage loan and is available in conjunction with designated Florida Housing first mortgage loans made to the homebuyers to finance the purchase of their home. The term sheet governing Florida Housing's HHF DPA program is available at the following link: https://www.treasury.gov/initiatives/financial-stability/TARP-Programs/housing/Documents/Redacted%2015th%20Amendment%20to%20HPA-%20Florida.pdf.

3. Local housing finance authorities in the State of Florida have expressed interest in utilizing HHF DPA funds as a source of downpayment and closing cost assistance in conjunction with first mortgage loans originated by the local housing finance authorities within their respective jurisdictions.

4. Florida Housing has agreed to make available a portion of the HHF DPA funds to a limited number of local housing finance authorities (the "Local HFA(s)") serving a select group of counties within the State of Florida,[1] including the Brevard County HFA, as an ultimate funding source for downpayment and closing cost assistance to be provided to qualified homebuyers in conjunction with first mortgage loans originated and made by the Local HFAs under their own first mortgage loan program(s), provided the terms and conditions of such first mortgage loans (referred to herein as "Eligible First Mortgage Loan(s)") meet and comply, in all respects, with the terms, conditions and requirements of Florida Housing. For purposes of this MOU, and as used herein, an Eligible First Mortgage Loan is a first mortgage loan that is originated and processed in accordance with, and meets and complies in all respects with, the terms, conditions and requirements, including the applicable fees[2] and interest rate as established by Florida Housing, of either The Florida First (FL First) first mortgage loan or The Military Heroes first mortgage loan as those loans are described in the program guide published by Florida Housing entitled

Downpayment Assistance
Florida Hardest Hit Fund
Program Guide
For
Brevard, Duval, Hillsborough, Orange & Volusia Counties Only!
And to include Clay, Osceola, Pasco, Pinellas, Polk & St. Lucie
Effective 9/1/16,

[1] Brevard, Duval, Hillsborough, Orange, Volusia, Clay, Osceola, Pasco, Pinellas, Polk and St. Lucie Counties.
[2] The amount of the fee(s) due eHousingPlus (eHousing) will be established between eHousing and the Local HFA. Accordingly, the eHousing fee listed on page 20 of the Program Guide is not applicable.

as same may be amended or modified from time to time during the term of this MOU, (the "Program Guide") which is available at the following link: http://webcdn4.ehousingplus.com/wp-content/uploads/FHFC-Gov-HHF-Guide-Rev-09-12-16.pdf?2864dd, and which loan is approved for funding by US Bank, or its successor as approved by Florida Housing. Florida Housing may amend and modify the terms and conditions of the Program Guide from time to time during the term of this MOU. Should Florida Housing exercise this authority, it will give reasonable notice to the Local HFA. The Program Guide, as hereafter amended and modified from time to time, is incorporated into and made a part of this MOU. As used herein, the term MOU shall be deemed to include the Program Guide.

Note: Eligible First Mortgage Loans will be originated in the name of the Local HFA or its designated lender, and, as a result, are not eligible for the documentary stamp and intangible tax exemption under Section 420.513(1), F.S. Therefore, the instructions in the Program Guide on pages 20 and 24 regarding that exemption, as it pertains to first mortgage loans only, does not apply to, and should not appear on the loan documents for, Eligible First Mortgage Loans.

Eligible DPA Loans, on the other hand, will be originated in the name of Florida Housing and, as a result, are eligible for the exemption under Section 420.513(1), F.S.

5. The parties agree that Florida Housing will make available up to $8 million of the HHF DPA funds to Local HFAs for eligible DPA loans ("Eligible DPA Loan(s)") originated to qualified homebuyers in connection with an Eligible First Mortgage Loan administered by the Local HFA within its jurisdiction. These funds will be made available to local HFAs on a first-come, first-served basis until the $8 million is expended or until December 31, 2017, whichever comes first. After such time, no HHF DPA funds will be made available pursuant to this MOU. For purposes of this MOU, and as used herein, an Eligible DPA Loan is a second mortgage loan that is originated and processed in accordance with, and meets and complies in all respects with, the terms, conditions and requirements, including the applicable fees[3] and interest rate as established by Florida Housing, of a second mortgage DPA Loan as described in the Program Guide and which loan is approved for funding by US Bank, or its successor as approved by Florida Housing.

6. The parties agree that Eligible DPA Loans, within the meaning of this MOU, shall include Eligible DPA Loans funded by participating lenders approved by both US Bank and the Local HFA on or after the Effective Date of this MOU. The Eligible DPA Loans must be originated in connection with an Eligible First Mortgage Loan. The source of funding for Eligible First Mortgage Loans is the sole responsibility of the Local HFA and shall not be subject to reimbursement under this MOU.

7. The DPA loans contemplated by this MOU will not be originated and closed by the Local HFA itself but instead by one or more private lender(s) authorized by the Local HFA to originate loans under the Local HFA's mortgage loan programs. Following loan closing, and upon determination that the DPA loans qualify as Eligible DPA Loans, it is anticipated that US Bank will purchase the Eligible DPA Loans from the private lenders. Florida Housing will in turn reimburse US Bank for its purchases of Eligible DPA Loans utilizing the HHF DPA funds authorized and available under this MOU. It is in this context (i.e., the reimbursement of US Bank following its purchase of an Eligible DPA Loan) that HHF DPA funds will be made available and used to reimburse Eligible DPA Loans under this MOU.

[3] The amount of the fee(s) due eHousing Plus (eHousing) will be established between eHousing and the Local HFA. Accordingly, the eHousing fee listed on page 20 of the Program Guide is not applicable.

8. In the event the Local HFA receives funds intended for repayment of an Eligible DPA Loan, the Local HFA shall remit such funds to Florida Housing within ten (10) days following receipt, and include therewith backup documentation sufficient for Florida Housing to identify the Eligible DPA Loan associated with such repayment. In addition, the Local HFA shall notify Florida Housing within ten (10) days if the Local HFA should become aware that the homeowner(s) no longer resides on the property during the term of the HHF DPA loan.

9. The Local HFA must provide to Florida Housing by the tenth (10th) day of each month a report containing the month-end balances for all Eligible DPA Loans reimbursed by Florida Housing under this MOU as of the previous month-end. The report of the month-end balances must include, at a minimum, the information set forth on Exhibit A, a sample of which is attached hereto. The required data can be downloaded from US Bank and is contained within their 856 or 856T report. The information to be reported includes PII. The Local HFA shall provide for the security of such PII, and shall transmit same to Florida Housing in secure form and in such manner as shall be directed in writing by Florida Housing.

10. Eligible DPA Loans shall be reimbursed subject to (a) the terms and conditions of this MOU and (b) the continued availability of HHF DPA funds up to the amount authorized herein. It is understood that the HHF DPA funds are administered by Florida Housing under the authority of the United States Department of Treasury. Therefore, the HHF Funds made available under this MOU are subject to reduction and claw-back, at the direction, and in the sole discretion of the United States Department of Treasury.

11. It is anticipated that Florida Housing will regularly and routinely conduct compliance reviews of the HHF DPA loans funded under this MOU. Notwithstanding that any such loan was closed and/or funded by the Local HFA's participating lender, it shall be the responsibility of the Local HFA to obtain and provide to Florida Housing such documents and other information as may be requested by Florida Housing with respect to any HHF DPA loan that is the subject of any such compliance review. In the event the Local HFA fails to provide the documents or information requested within ten (10) business days following such request, the Local HFA shall be obligated to repurchase the loan(s) associated with such request within five (5) business days following demand for repurchase by Florida Housing. If, as a result of any such compliance review, Florida Housing determines that any HHF DPA loan reimbursed hereunder did not comply with the terms and conditions of this MOU, or was not an Eligible DPA Loan notwithstanding a contrary determination at the time of reimbursement, the Local HFA shall be obligated to repurchase such loan(s) within five (5) business days following demand for repurchase by Florida Housing.

12. The Local HFA shall keep and make available for the examination and audit of or by Florida Housing, the United States Department of Treasury or The Office of the Special Inspector General for the Troubled Asset Relief Program (SIGTARP), or any such auditing party's authorized employees, agents or representatives, during normal business hours at the auditing party's cost, all documents, accounting records, data, communications, materials and information, made and received by the Local HFA or by the Local HFA's employees, private originating lenders, representatives, subcontractors and agents with respect to the subject matter of this MOU, and all books, accounts, memoranda, files and all or any other documents indicating, documenting, verifying or substantiating the appropriateness of any and all procedures and actions relating to the MOU.

13. The Local HFA authorizes eHousingPlus (eHousing) and US Bank Home Mortgage (US Bank) or their respective successors as approved by Florida Housing, to share with third parties, including, but not limited to, Florida Housing and the auditing parties named above, information that eHousing or US Bank may receive in their respective roles as provided in the Program Guide as may be necessary to carry out and perform their respective duties as provided in the Program Guide.

14. The parties agree that reimbursed HHF DPA funds, without regard to the party directly reimbursed in the particular transaction, shall be subject to recapture by Florida Housing directly from the Local HFA, if, at any time during the term of this MOU or within three (3) years following its termination, Florida

Housing, a governmental agency, or any of the auditing parties identified above determines that such reimbursed funds were used to reimburse a loan later determined not to have been eligible for reimbursement under the terms and conditions of this MOU or that the reimbursed funds were used for any purpose not permitted under this MOU or that the HHF DPA funds were reimbursed based upon fraud or misrepresentation committed by the Local HFA or by any employee, representative, agent, subcontractor or lender acting for or on behalf of the Local HFA. In such events, recapture hereunder shall be in addition to any other remedies available to Florida Housing. If Florida Housing elects to exercise its right to recapture the HHF DPA funds as provided in this paragraph, it shall notify the Local HFA in writing, and the Local HFA shall be obligated to repay the HHF DPA funds to Florida Housing no later than ten (10) business days following receipt of the notice.

15. The failure to abide by the terms and conditions of this MOU shall be deemed a default under the terms of this MOU. In the event of default by Florida Housing, the Local HFA may elect to terminate its participation under this MOU. In the event of default by the Local HFA, Florida Housing may in its discretion elect to terminate the Local HFA's participation under this MOU, or to suspend or withhold further funding to the Local HFA until such time as the Local HFA has cured any such default.

16. Contact information for purposes of any communication or notice required or contemplated under this MOU is as follows:

Florida Housing:

David Westcott
Director of Homeownership
227 North Bronough ST, Ste 5000
Tallahassee, FL 32301
David.Westcott@Floridahousing.org
(850) 488-4197

Local HFA:

Angela A. Abbott, P.A.
4420 S. Washington Avenue
Titusville, FL 32780
(321) 264-0334 Phone
(321) 269-6840 Fax

17. This MOU shall be governed by the laws of Florida and the parties agree that the venue for any action or dispute in connection herewith shall lie in Leon County, Florida.

18. The signatures of the duly authorized representatives of the parties represent their acceptance of the foregoing terms.

19. This MOU shall become effective upon the date the last party signs the MOU ("Effective Date") and, unless extended in writing by mutual agreement of the parties, shall terminate at such time as the $8 million in HHF DPA funds is expended or on December 31, 2017, whichever shall first occur.

20. Pursuant to Section 119.0701(2)(b), Fla. Stat., the Local HFA is required to comply with public records

laws, specifically to:

a. Keep and maintain public records required by the public agency to perform the service.

b. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in this chapter or as otherwise provided by law.

c. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the records to the public agency.

d. Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the contractor upon termination of the contract or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

If the Local HFA has questions regarding the application of Chapter 119, Florida Statutes, to the Local HFA's duty to provide public records relating to this MOU, contact the Corporation Clerk at:

Corporation Clerk
Florida Housing Finance Corporation
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Phone: 850.488.4197

E-mail: Corporation.Clerk@floridahousing.org

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MEMORANDUM OF UNDERSTANDING
FLORIDA HOUSING FINANCE CORPORATION
AND
BREVARD COUNTY HOUSING FINANCE AUTHORITY
(Local HFA Hardest Hit Fund Downpayment Assistance)

Florida Housing Finance Corporation

By: _____ Date: _____

Brevard County Housing Finance Authority

By: _____ Date: _____