

EXHIBIT F

**SOUTHEAST HOUSTON AFFORDABLE HOUSING INITIATIVE
NEW CONSTRUCTION HOMEBUYER ASSISTANCE PROGRAM**

STATEMENT ACKNOWLEDGING PROGRAM TERMS AND CONDITIONS

This Statement of Terms and Conditions of the Midtown Redevelopment Authority's New Construction Homebuyer Assistance Program ("MRA Homebuyer Assistance Statement") is executed by _____ ("Seller") and

_____ ("Homebuyer(s)) for the benefit of the Midtown Redevelopment Authority ("Midtown").

1. Homebuyer is purchasing a new construction affordable single-family residence located at: _____, Houston, Texas 77____ ("Residence"), on Property which is described on Exhibit "A", attached hereto, and made a part hereof for all purposes.

2. I/We hereby acknowledge participation in the Midtown New Construction Single Family Homebuyer Assistance Program which affords Homebuyer the opportunity to purchase the Residence at below market rate.

3. I/We understand and acknowledge that Midtown Redevelopment Authority (MRA) has facilitated the development of the Residence by subsidizing the cost of the land on which the Residence was constructed, pursuant to a Development Agreement with the Seller.

4. I/We acknowledges that there are restrictions on the use of the property during the defined affordability period.

5. I/We, by my/our signature(s) below, hereby certify that the total number of persons who will reside at the above residence as their principal residence is _____.

6. My/Our total household income from all income sources is \$ _____, which is less than or equal to ____ % of Area Median Income at the time of closing.

7. The purchase price of the Residence is: \$ _____

8. The appraised/fair market value of the Residence is: \$ _____

9. The fair market value of the land on which the Residence is constructed is: \$ _____

10. In order to assist Homebuyer to purchase the Residence, MRA subsidized the cost of the Residence by making the land available to the developer at a nominal cost for construction of affordable housing, resulting in a sales price for the Residence that is below fair market value. The value of the land is \$ _____ ("Homebuyer Assistance") which is being applied, at closing, toward the purchase price of the Residence.

11. The foregoing Homebuyer Assistance is being provided in the form of a Deferred Payment Forgivable Loan (the "Deferred Payment Loan"). In connection with the purchase of the Residence, Homebuyer is executing a Deferred Payment Forgivable Promissory Note, secured by a Subordinate Lien Deed of Trust and Notice of Occupancy Restrictions (the "Loan Documents"), and this Midtown Homebuyer Assistance Statement of Terms and Conditions.

12. Homebuyer understands and acknowledges that Homebuyer is required to occupy the Residence as Homebuyers' principal residence for a period of at least 20 years from the date of Homebuyer's purchase of the Residence ("Affordability Period"). Homebuyer further understands and acknowledges that if Homebuyer receives federal HOME Program assistance in an amount of \$40,000.00 or more, then the Affordability Period shall be twenty-five (25) years.

13. Homebuyer understands, acknowledges, and agrees that Homebuyer is required to maintain the Property upon which the Residence is located in accordance with the standards and requirements set out in the Declaration.

14. Homebuyer understands and agrees that if Homebuyer fails to comply with the Residency Requirement or any other requirement of the Deferred Payment Loan, Homebuyer will be required to repay to Midtown the unpaid Deferred Principal in accordance with the terms of the Loan Documents. More particularly, if the Residence is sold or foreclosed during the Affordability Period, a payment in an amount equal to the lesser of (i) the unpaid Deferred Principal or (ii) the Net Proceeds of the sale or foreclosure shall be immediately due and payable to Midtown. The "Net Proceeds" are the sales price minus the amount applied to repay any purchase money loan secured by a lien having priority over the Midtown Subordinate

Lien Deed of Trust and any usual and customary bona fide closing costs paid by Homebuyer related to the sale. The Affordability Period will terminate upon the occurrence of any one of the following events: foreclosure or transfer in lieu of foreclosure, *provided* that Midtown is paid the lesser of (i) the unpaid Deferred Principal or (ii) the Net Proceeds of such foreclosure or transfer in lieu of foreclosure and further provided that the restrictions applicable to the Affordability Period shall be revived according to the original terms if, during the original Affordability Period, the Homebuyer (owner of record) before the termination event obtains an ownership interest in the Residence,

Further, after any cure period provided in the Loan Documents and/or the restrictive covenants contained in the Special Warranty Deed (the "Deed"), Midtown may recover or seek to enforce covenants under the Loan Documents or the Deed for other defaults (including, for example, long-term or short-term rental of the Residence or any portion thereof) and during the continuance of any such other default, the deferred principal shall bear default interest at a rate of six percent (6%) per annum. (In no event will Midtown recover more than the maximum amount of interest permitted under applicable Texas usury law.)

HOMEBUYER

Printed Name: _____

Printed Name: _____

SELLER

Printed Name: _____

THE STATE OF TEXAS §
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me on the ____ day of _____, 20__, by _____, Homebuyer.

Notary Public, State of Texas