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Boulevard, 9380 Excelsior Blvd, 3rd Floor, Hopkins MN 55343

**DECLARATION OF RESTRICTIVE COVENANTS
OKLAHOMA HOUSING FINANCE AGENCY
HOUSING STABILITY PROGRAM
REGULATORY AND DOWNPAYMENT ASSISTANCE
REPAYMENT AGREEMENT**

NOTICE: THIS REPAYMENT AGREEMENT CONTAINS RESTRICTIVE COVENANTS WHICH (A) RUN WITH THE REAL PROPERTY AND WHICH MAY NOT EXPIRE UNTIL THE EXPIRATION OF THE SPECIFIED REPAYMENT PERIOD, AND (B) REQUIRE UNDER CERTAIN CONDITIONS, REPAYMENT OF ALL OR A PORTION OF THE ASSISTANCE PAYMENT RECEIVED BY THE MORTGAGOR(S).

THIS REPAYMENT AGREEMENT SHALL TERMINATE ON THAT DATE WHICH IS THREE YEARS FROM THE DATE OF THE CLOSING DATE OF THE MORTGAGE LOAN.

MORTGAGOR: _____ DATE: _____

CO-MORTGAGOR: _____ OHFA LOAN #: _____

THIS **HOUSING STABILITY PROGRAM REGULATORY AND DOWN PAYMENT ASSISTANCE REPAYMENT AGREEMENT** (the "**Repayment Agreement**") is entered into by the person, or persons named above as Mortgagor(s) (hereinafter referred to as the "**Mortgagor(s)**," whether one, two or more persons signing) for the benefit of Oklahoma Housing Finance Agency, a public trust, to be effective as of the date set forth above; and

WHEREAS, Oklahoma Housing Finance Agency ("**OHFA**") has provided funds to homebuilders through its Housing Stability Program for the construction of single family homes; and

WHEREAS, the Mortgagor has applied for and secured a loan secured by a first mortgage (the "**Mortgage Loan**") on the following described real property ("**Real Property**") located in the County of _____, Oklahoma, to wit: (enter Legal Description in space provided below):

Property Address: _____

WHEREAS, OHFA, as a part of its Housing Stability Program and for the purpose of enabling the Mortgagor to acquire and occupy the Real Property as the Mortgagor's principal residence, has provided to the Mortgagor a certain Down Payment and Closing Cost Assistance Payment (the "**Assistance Payment**") in an amount equal to five percent (**5.00%**) of the original principal amount of the Mortgage Loan; and

WHEREAS, OHFA requires that the Mortgagor, in recognition of its receipt of the Assistance Payment, execute and cause to be delivered and recorded in the county in which the Real Property is located, this Declaration of Restrictive Covenant Running with the Land (the "**Deed Restriction**") in order to create covenants running with the Real Property for the purposes of (i) enforcing certain requirements of the Housing Stability Program, and (ii) requiring the repayment of all or a portion of the Assistance Payment in the event the Mortgage Loan is repaid during the Repayment Period, as set out herein.

NOW, THEREFORE, the Mortgagor does hereby grant and impose upon the Real Property the covenants, restrictions, charges and easements set forth in this Repayment Agreement.

ARTICLE ONE **STATEMENT OF INTENT, RELIANCE**

1.1 Statement of Intent, Covenants to Run with Real Property. It is understood and agreed that:

(a) This Repayment Agreement is accepted by OHFA based upon the acknowledgments, agreements, covenants, conditions, restrictions, representations and warranties of Mortgagor in (i) this Repayment Agreement, (ii) Mortgagor's application for participation in the Housing Stability Program, and (iii) the documents executed in connection with the closing of the Mortgage Loan.

(b) Mortgagor does hereby impose upon the Real Property all the covenants, terms, conditions, reservations, restrictions, charges and easements set forth in this Repayment Agreement and agrees to repay all or a portion of the Assistance Payment in accordance with the terms and conditions hereinafter set forth, all of which shall apply to and run with the Real Property and shall be binding upon and a burden upon the Real Property and all portions and appurtenances thereof, and upon Mortgagor and his/her successors and assigns during the term hereof, the benefits of which shall inure to OHFA and its successors and assigns, until termination hereof pursuant to the provisions contained herein.

(c) Mortgagor hereby agrees that all of the covenants, terms, conditions, reservations, restrictions, charges, and easements set forth in this Repayment Agreement shall survive and be effective as to all Transferees of all or any portion of the Real Property, regardless of whether or not the contract, agreement or other instrument hereafter executed conveying the Real Property or portion thereof, or granting the right to occupy all or any portion of the Real Property provides that such conveyance is subject to this Repayment Agreement, and regardless of whether or not any such contract, agreement or other instrument is in writing, is verbal, or is implied.

(d) Mortgagor hereby declares Mortgagor's understanding and intent that (i) the burden of the covenants, terms, conditions, reservations, restrictions, charges and easements set forth in this Repayment Agreement touch and concern the Real Property in that the Mortgagor's legal interest in the Real Property is rendered less valuable thereby and (ii) the benefit of such covenants, terms, conditions, reservations, restrictions, charges and easements touch and concern the Real Property by enhancing and increasing the enjoyment and use of the Real Property by the Mortgagor as the intended beneficiary thereof and by furthering the public purposes for which OHFA has financed the Mortgage Loan and provided the Assistance Payment to the Mortgagor.

ARTICLE TWO **DEFINITIONS**

All references to the Housing Stability Program and any state or federal statute, rules and regulations applicable thereto, shall, by such reference, include any and all future amendments or replacements thereto as may then be applicable to the Real Property, the Mortgagor, the Mortgagor's Transferees and to OHFA.

"Assistance Payment" means the amount of Housing Stability Program monies made available or paid to a Mortgagor by or on behalf of OHFA upon the closing of the Mortgage Loan for use by the Mortgagor in paying all or a portion of his or her down payment and closing costs relating to the Mortgage Loan.

"Housing Stability Program" or the "Program" means the program or programs of OHFA pursuant to which OHFA will issue Bonds and apply the proceeds thereof to finance the purchase of residential mortgage loans or securities backed by such mortgage loans.

"Real Property" has the meaning as set out hereinabove in Article One.

"Program Documents" means: (i) the Mortgage Servicing Master Agreement between OHFA, the Trustee or Co-Trustee, as applicable, and each Servicer executing such document, (ii) the Mortgage Origination Master Agreement among the Agency, the Trustee or Co-Trustee, as applicable, and each Lender executing such Agreement, and (iii) the Offer to Participate and the Program Notice relating to the Program Installment associated with that particular series of Bonds, a portion of the proceeds of which were applied to finance the Mortgagor's Mortgage Loan, among others, if applicable.

"Repayment Period" means the period commencing on the date of the closing of the Mortgage Loan and ending three (3) years thereafter, unless terminated earlier pursuant to Article IV.

"Transfer" means any sale, transfer, merger, consolidation, liquidation, contribution, assignment, exchange or other change in all or part of the ownership of the Real Property, whether voluntary or involuntary, and whether or not such transfer (i) is evidenced in writing, is verbal, or is implied, or (ii) is the result of an act of law, or by court order, by or against the Mortgagor or of all or any part of Mortgagor's rights, title or interest in the Real Property, including the right or claim of right to occupy the Real Property, to or in favor of another party, including any adverse possessor of the Real Property, or any portion thereof.

"Transferee" means any and all successor(s) in interest of Mortgagor, including any and all transferees, assignees, purchasers, grantees or owners, of all or any portion of the Real Property, and the heirs, executors, administrators, devisees, successors and assigns of any transferee, purchaser, assignee, grantee or owner of all or any portion of the Real Property, and any other person or entity having or acquiring any right, title, claim, or interest in the Real Property by reason of any Transfer of the Real Property or any portion thereof, as the same is defined hereinabove.

ARTICLE THREE **AGREEMENT TO REPAY ASSISTANT PAYMENT**

3.1 Agreement to Repay All of the Assistance Payment Received Upon the Occurrence of Certain Events. Mortgagor hereby agrees that, in the event the Mortgage Loan is repaid in whole prior to the expiration of the Repayment Period, Mortgagor shall pay or cause to be paid to OHFA or its duly appointed agent a sum of money equal to the Assistance Payment advanced to the Mortgagor.

3.2 Terms. The terms, conditions, obligations, restrictions, covenants, representations and warranties contained in this Repayment Agreement shall be effective upon execution and delivery of this Repayment Agreement with respect to the Real Property and shall continue in full force and effect throughout the Repayment Period, it being expressly agreed and understood that the provisions hereof are intended to survive the repayment of the Mortgage Loan, if repaid within the Repayment Period. This Repayment Agreement shall expire of its own terms at the end of the Repayment Period. Mortgagor, on behalf of Mortgagor and Mortgagor's Transferees, if any, by execution of this Repayment Agreement, waive(s) any right to terminate the terms, conditions, obligations, restrictions, covenants, representations and warranties contained herein with respect to the Real Property during the Repayment Period.

ARTICLE FOUR **INVOLUNTARY TERMINATION OF THE DECLARATION OF RESTRICTIVE COVENANT**

4.1 Foreclosure. In the event the Real Property is acquired during the term of the Repayment Agreement by bona fide foreclosure, by transfer in lieu of bona fide foreclosure, or by an assignment of the Mortgage Loan to the applicable Mortgage insurer or guarantor, the Declaration of Restrictive Covenant Running with the Real Property shall automatically terminate with respect to such Real Property.

4.2 Involuntary Noncompliance. In the event of involuntary noncompliance with respect to the Real Property arising as a consequence of natural disaster, seizure, requisition or condemnation by a governmental authority, the Declaration of Restrictive Covenant Running with

the Real Property shall not automatically terminate, but shall be enforceable against the acquiring party, regardless of the circumstances.

ARTICLE FIVE RESTRICTIONS ON SALE OR TRANSFER OF PROPERTY

The Mortgagor hereby covenants and agrees not to Transfer the Real Property, or any portion thereof, unless (a) Mortgagor is in full compliance with the applicable requirements of the Mortgage Loan and the Program Documents executed by the Mortgagor in connection with OHFA's financing of such Mortgage Loan and (b) OHFA or its duly appointed agent has issued its prior written consent thereto.

It is hereby expressly stipulated and agreed that any Transfer of the Real Property approved by OHFA, or its duly appointed agent shall result in Mortgagor's obligations under this Repayment Agreement being assumed by the Transferee.

ARTICLE SIX AGREEMENTS COVENANTS AND REPRESENTATIONS OF MORTGAGOR

In consideration of OHFA's agreement to finance the Assistance Payment and the Mortgage Loan, the Mortgagor hereby represents, covenants, acknowledges, warrants and agrees on behalf of the Mortgagor and any Transferees:

6.1 Reliance. Mortgagor acknowledges that the representations and covenants set forth in the Program Documents and this Repayment Agreement are for the benefit of and may be relied upon by OHFA. In performing its duties and obligations hereunder, OHFA may rely upon statements and certificates of Mortgagor to be genuine and to have been executed by the proper person or persons.

6.2 Acknowledgment of Regulations. Mortgagor acknowledges that this Repayment Agreement is granted by Mortgagor in partial fulfillment of Mortgagor's obligations under the terms and conditions of the Mortgage Loan documents, Housing Stability Program documents and policies and procedures of OHFA in regard to such Program, and that Mortgagor agrees to be bound by the same.

ARTICLE SEVEN GENERAL TERMS

7.1 Notice. All notices to be given hereunder to Mortgagor shall be by personal delivery or by certified or registered mail, postage prepaid, return receipt requested, at the street address of the Real Property.

7.2 Severability. Invalidation of any clause, provision, warranty, covenant, or restriction contained in this Repayment Agreement by judgment or court order shall, in no way, affect any other clause, provision, covenant, warranty, or restriction which shall remain in full force and effect, and shall be enforced to the greatest extent permitted by law, or in equity.

7.3 Recording of Repayment Agreement. A Declaration of Restrictive Covenant Running with the Real Property shall be placed of record simultaneously with, and immediately following the Mortgage, in the real property records of the County of the State of Oklahoma in which the Real Property is located.

7.4 No Waiver. No action or failure to take action pursuant to this Repayment Agreement on the part of OHFA, including without limitation, any investigation by or on behalf of OHFA, shall constitute a waiver by OHFA of Mortgagor's, or any Transferee's, compliance with the terms, conditions, obligations, restrictions, covenants, representations and warranties contained in this Repayment Agreement. No waiver, modification or change shall be binding unless in writing and duly signed by an authorized officer of OHFA whose signature shall be duly acknowledged. A waiver or breach of any provision of this Repayment Agreement shall not operate or be construed as a waiver of any subsequent breach.

7.5 Section Titles. Section titles are for descriptive purposes only and shall not control or limit the meaning of this Repayment Agreement as set forth in the text.

7.6 Amendments. This Repayment Agreement may be amended with the prior written approval of OHFA to reflect changes in federal or state statutory or regulatory requirements applicable to the Housing Stability Program. Mortgagor hereby expressly agrees to enter into all amendments hereto which, in the opinion of OHFA's counsel, are reasonably necessary or desirable for maintaining compliance with federal or state statutory or regulatory requirements applicable to the Housing Stability Program.

7.7 Governing Law. This Repayment Agreement shall be governed by the laws of the State of Oklahoma for state law issues, without reference to the laws of any other state or jurisdiction, and, where applicable, the laws of the United States of America.

7.8 Special Acknowledgment of Mortgagor. Mortgagor hereby acknowledges before the signing hereof, that Mortgagor has been given ample opportunity to read this Housing Stability Program Regulatory and Repayment Agreement creating restrictive covenants in its entirety, has been given a general explanation of the terms, conditions, agreements, restrictions, obligations, and consequences of this Repayment Agreement, and has been given the opportunity to ask questions of an OHFA representative, all of which questions, if any, have been answered to the satisfaction of Mortgagor, that Mortgagor fully understands all of the same to the satisfaction of Mortgagor, and fully intends to be legally bound by the terms, conditions, agreements, restrictions, obligations and consequences to Mortgagor contained in this Repayment Agreement

IN WITNESS WHEREOF, each Mortgagor has signed this Repayment Agreement as of the day and year first written above.

MORTGAGOR(S):

Mortgagor's Signature Date

Co-Mortgagor's Signature Date

Mortgagor's Printed Name

Co-Mortgagor's Printed Name

LENDER NAME:

By _____