

**CUMBERLAND COUNTY DOWNPAYMENT & CLOSING COST GRANT
AGREEMENT**

THIS IS AN AGREEMENT made this <Date>, 20 between _____ (hereinafter known as "Recipient"), and the County of Cumberland, by and through its agent, Redevelopment Authority of the County of Cumberland (hereinafter known as "County").

WITNESSETH:

WHEREAS, the County has established the Cumberland County Downpayment and Closing Cost Fund (hereinafter the "Fund") which offers grant assistance in the form of a five (5) year forgivable loan to eligible first-time home buyers;

WHEREAS, Recipient is an eligible first-time home buyer;

WHEREAS, Recipient desires to purchase the property located at _____ (hereinafter the "Premises");

WHEREAS, the Redevelopment Authority of the County of Cumberland (hereinafter the "Authority") administers the Fund on behalf of the County; and

WHEREAS, the parties desire to enter into this Agreement to set forth the mutual understanding of the parties regarding the receipt by Recipient of assistance from the Fund.

NOW, THEREFORE, in consideration of the mutual covenants as set forth herein, and intending to be legally bound, the parties do hereby agree as follows:

1. Recipient shall receive from the Fund a grant in the amount of **\$3,000/\$5,000** (hereinafter the "Grant") to cover the down payment and/or closing costs associated with the purchase of the Premises.
2. The amount of the Grant shall be refunded if any of the following occurs, within five (5) years from the date of _____:
 - A. The Premises is sold, transferred, or conveyed or the Recipient's equitable interest in the Premises is extinguished;
 - B. The Recipient ceases to utilize the Premises as its principal place of residence; or
 - C. The Recipient, or the last of them if more than one in number, dies. (Hereinafter Paragraphs 2.A., B., or C. are known as the "Repayment Triggering Event".)
3. In the event a Repayment Triggering Event should occur within a period of five (5) years from the date of _____, then and in such event, the repayment amount shall be determined in accordance with the following formula:

4. This Agreement is subject and subordinate to the lien of a first mortgage made by _____ (hereinafter the "Lender") to Recipient. The parties hereto agree that all terms and provisions of this Agreement will be subject and subordinate to the lien of the Lender's first mortgage and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms of such mortgage loan(s) or incidental thereto, or to protect the security thereof, to the full extent thereof.
5. Notwithstanding anything herein to the contrary, in the event Lender's first mortgage is insured by the U.S. Department of Housing and Urban Development (hereinafter "HUD"), the parties hereto agree that only those legal restrictions on conveyance permissible under applicable HUD regulations shall be valid and enforceable hereunder and further agree that such restrictions shall automatically terminate if title to the property is transferred by foreclosure of deed in lieu of foreclosure and/or an assignment of interest in the property to HUD.
6. This Agreement shall be recorded in the Office of the Recorder of Deeds in and for Cumberland County, Pennsylvania, and shall constitute a lien upon the Premises for a period of five (5) years from _____.
7. This Agreement shall be binding upon the parties and their respective heirs, successors and assigns.

<Name>

By _____