MORTGAGE ASSISTANCE PROGRAM
BORROWER LOAN AGREEMENT
AND BORROWER DISCLOSURE STATEMENT

[CalHome or Permanent Local Housing Allocation] Funds

This Mortgage Assistance Program Loan Agreement ("Agreement") is made as of __________________ by and between the COUNTY OF ORANGE, a political subdivision of the State of California ("County" or "Lender") and ______________________________ ("Borrower").

RECITALS

A. Borrower has entered into an agreement to purchase a [DESCRIBE PROPERTY] located in [ENTER LOCATION] within the County of Orange and more particularly described in the attached and incorporated Exhibit "A".

B. County is a recipient of funds distributed by the California Department of Housing and Community Development ("**HCD**") pursuant to County's Mortgage Assistance Program ("**MAP**") [established pursuant to California Health and Safety Code Section 50470 and implementing guidelines and regulations adopted by HCD under the Permanent Local Housing Allocation Program ("PLHA")] [established pursuant to California Health and Safety Code Section 50650, et seq., and the implementing regulations set forth at Title 25 California Code of Regulations Section 7715, et seq. ("CalHome Regulations").] Funds received through the MAP Program may be used to provide downpayment assistance [that meets the needs of a growing workforce earning up to 120 percent of area median] [to Lower Income households (as defined in the State Regulations)] that are first time homebuyers in an amount of up to the amount set forth in the current County MAP Guidelines

C. Borrower requires financial assistance (the "**Loan**") to purchase the Property and would not be able to purchase the Property without such assistance. Borrower qualifies [as low or moderate income household, pursuant to Section 50093 of the California Health and Safety Code and Section 101 of the Permanent Local Housing Allocation Final Guidelines ("**Guidelines**"),] [a "Lower Income Household" pursuant to Section 7716(y) of the CalHome Regulations,]whose income does not exceed the income limits for an Orange County [low or moderate-income household] [Lower Income Household], adjusted for family size, as promulgated by HCD from time to time.

D. The Loan is made with funds received by the County from the State, [CalHome or Permanent Local Housing Allocation (PLHA)] (collectively "County Funds') to provide mortgage assistance in the form of a deferred "silent" Loan. The County offers the Mortgage Assistance Program to help low-income [and moderate-income for PLHA funds only] first-time homebuyers buy their own decent affordable houses in the unincorporated areas of Orange County and in certain participating cities within the County.

E. Borrower has represented to County that Borrower (and Borrower's household members set forth in Borrower's application) intend to reside in the Property and use the Property as the Borrower's principal residence at all times beginning on the date the Borrower acquires the Property and ending upon the earlier to occur of (1) repayment of the County Loan (defined below), or (2) the end of the thirty (30) year term of the Promissory Note (defined below), after which date Borrower's obligation under this Agreement to maintain Borrower's principal residence at the Property shall end; provided, however, Borrower may be restricted in the use, occupancy, and ownership of the Property for a longer period by the terms of the first lien purchase money mortgage on the Property ("**First Lien**") held by an institutional lender, including without limitation the California Housing Finance Agency and its successors and assigns ("**CalHFA**"), and, as applicable, one or more additional loan(s) as approved by County.

F. Borrower has represented to County that Borrower has not owned a home in the last three (3) years or is otherwise included in the definition of “first-time homebuyer” set forth in [Section 52012.5 of the California Health and Safety Code].[Section 7716(m) of the CalHome Regulations]

F. County wishes to lend to Borrower and Borrower wishes to borrow from County Funds in the form of a Loan in an amount equal to XXXXXXX ($XXXXXX), as set forth in greater detail in Section 1, to provide gap financing to assist Borrower with the purchase of the Property pursuant to the MAP Guidelines and subject to the terms and conditions set forth herein.

G. For a period commencing upon the date on which Borrower acquires the Property, if the Property is sold or the Borrower no longer uses the Property as its principal residence the Loan, including all accrued interest, will become immediately due and payable to County. The terms of the Loan are fully set forth herein and in the MAP Program Promissory Note, attached and incorporated as Exhibit “**B**” (“**Promissory Note**”).

NOW, THEREFORE, in consideration of the foregoing recitals, incorporated herein by this reference, and for other good and valuable consideration, the parties agree as follows:

1. **County Loan; Promissory Note.**

1.1. County Loan. Pursuant to the MAP and subject to the conditions and restrictions set forth in this Agreement, the Promissory Note and the Deed of Trust as defined in Section 1.5 below, County agrees to loan to Borrower, and Borrower promises to pay to County at such address as County may direct from time to time in writing, the sum of **XXXX Dollars ($XXXXXX)** (“**Note Amount**”), together with interest thereon as set forth in the Promissory Note, which shall be executed by Borrower, as Borrower, and delivered to County. All sums under the Promissory Note shall be payable in lawful money of the United States of America. Disbursements of the County Loan shall be made directly into escrow for Borrower’s purchase of the Property and shall be applied to the payment of escrow closing costs and/or a down payment, as applicable.

1.2. Interest Rate. This is a three percent (3%) interest loan. If an Event of Acceleration as set forth in Section 1.7 occurs, the full amount of the Promissory Note is due and payable with earned simple interest.

1.3. Time of Payment. Borrower shall have no obligation to make any payments to County under the Promissory Note until the earlier to occur of: (i) an Event of Acceleration as set forth in Section 1.7, below or (ii) the thirtieth (30^{th}) anniversary of the date of the Promissory Note (“**Maturity Date**”).

1.4. Acceleration. The whole of the Note Amount plus all accrued interest shall be immediately due and payable upon the occurrence of any Event of Acceleration, as defined in Section 1.7. After paying all costs and fees relating to the transaction that constitutes an Event of Acceleration, if any (such as escrow fees, transfer taxes, recording fees, brokerage commissions and similar costs), the proceeds of any such transaction (or, in the case of any Event of Acceleration other than a sale, the appraised value of the Property) shall be distributed or applied in the following order or priority:

1.4.1.1. Repayment of the First Lien;

1.4.1.2. Repayment of any Additional Liens senior to the County Loan; and

1.4.1.3. Repayment to County of the Note Amount and all accrued interest thereon.

1.5. Security for County Loan. The obligation of Borrower to repay the County Loan pursuant to this Agreement, as evidenced by the Promissory Note, shall be secured by a MAP Deed of Trust encumbering the Property, substantially in the form of Exhibit "**C**" which is attached and incorporated by this reference ("**Deed of Trust**"). The Deed of Trust shall be executed by Borrower, as trustor, in favor of County, as beneficiary. **The Deed of Trust places certain restrictions on the use and sale of your home and will be recorded against your property at the Orange County Clerk-Recorder's Office**.

1.6. No Assumption Permitted. Except as specifically provided in Section 1.7(a) below, the County Loan shall not be assumable.

1.7. Event of Acceleration. Each of the following events (a) to (c) inclusive shall constitute an "Event of Acceleration":

1.7.1. Borrower sells or transfers interest in the Property by any means, including, without limitation, the lease, exchange or other disposition of the Property or any interest therein, whether voluntary or involuntary; provided, however, the following transfers of interest shall not constitute an Event of Acceleration:

1.7.1.1. A transfer to a surviving joint tenant by devise, descent, or operation of law on the death of a joint tenant;

1.7.1.2. A transfer in which the transferee is a person who occupies or will occupy the Property, which is:

Property;

(A) a transfer where the spouse becomes an owner of the

(B) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which the spouse becomes an owner of the Property; or

(C) a transfer into an inter vivos trust in which the Borrower is and remains the beneficiary and occupant of the Property.

1.7.2. Borrower refinances any lien or encumbrance secured by the First Lien and/or any Additional Liens for a loan amount in excess of the then current loan balance secured by such First Lien and/or Additional Liens, as applicable, and loan closing costs;

1.7.3. Borrower fails to occupy the Property as Borrower's principal residence in violation of Section 4 of this Agreement or is in default of any other obligation under this Agreement.

Borrower may, upon written approval by County, refinance the First Lien and/or any Additional Liens for a loan amount equal to or less than the then current loan balance secured by such First Lien and/or Additional Liens, as applicable.

1.8. Prepayment of County Loan; No Restrictions on Selling Property at Fair Market Value. Borrower may voluntarily prepay the County Loan to County, in whole or in part, at any time, with no penalty. Prepayment will be applied to interest first, then principal. Where MAP Funds are the only subsidy applied to the Property, the Borrower shall not be restricted from selling the Property at its fair market value at any time, so long as the County Loan is repaid in full.

1.9. Joint and Several. This Agreement is a joint and several obligation; thus, the undersigned, if more than one, shall be jointly and severally liable under this Agreement, the Promissory Note, and the Deed of Trust.

1.10. Borrower's Waivers. Borrower waives any rights to require County to:

(i) demand payment of amounts due (known as "presentment"),
(ii) give notice that amounts due have not been paid (known as "notice of dishonor"), and
(iii) obtain an official certification of nonpayment (known as "protest").

1.11. Lender's Policy of Title Insurance. As a condition precedent to the disbursement of all or any portion of the County Loan, Borrower shall cause to be issued by a reputable title insurance company an ALTA lender's policy of title insurance in the full principal amount of the County Loan.

2. Notice to County. Borrower (or Borrower's heirs following the death of Borrower) agrees to notify County not less than thirty (30) days prior to (i) the sale of the Property, (ii) the transfer, including, without limitation, lease, exchange or other disposition of any interest in the Property, (iii) any proposed refinancing of any First Lien and/or Additional Liens, or (iv) the close of Borrower's probate estate. **Nothing in Section 2, however, shall be construed to authorize the Property to be leased, rented or sold in violation of the terms of this Agreement.**

3. Maintenance of Property. That Borrower shall (a) keep the Property in a decent, safe, sanitary, tenantable condition and repair and permit no waste thereof; (b) not commit or suffer to be done or exist on or about the Property any condition causing the Property to become less valuable; (c) remove, demolish or structurally alter any buildings and improvements now or hereinafter located on the Property; (d) repair, restore or rebuild promptly any buildings or improvements on the Property that may become damaged or be destroyed while subject to the lien of the Deed of Trust; (e) comply with all applicable laws, ordinances and governmental regulations affecting the Property or requiring any alteration or improvement thereof, and not to suffer or permit any violations of any such law, ordinance or governmental regulation, nor of any covenant, condition or restriction affecting the Property; (f) not initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without the Lender's written consent; and (g) not alter the use of all or any part of the Property without the prior written consent of the Lender.

4. Occupancy Standards. The Property shall be used as the principal personal residence of Borrower and for no other purpose for the entire term of this Agreement beginning on the date Borrower acquires the Property and continuing until the Note Amount (and all accrued interest) has been repaid in full, after which date Borrower's obligation to maintain Borrower's principal residence at the Property shall end. Borrower shall, upon demand by County, submit to County utility bills showing Borrower as the continuing owner and occupant of the Property and an affidavit of occupancy verifying Borrower's compliance with this Section 4. Such verification of occupancy may be required by County on an annual basis.

5. Income Information. Borrower has submitted an application and additional information verifying income eligibility to County prior to execution of this Agreement. County has made a determination that the Participant qualifies as a [low- or moderate-income household pursuant to California Health and Safety Code Section 50093.] [a "Lower Income Household" pursuant to Section 7716(y) of the CalHome Regulations.] Borrower represents, warrants, and declares under penalty of perjury to County that all information Borrower has provided and will provide in the future to County is and will be true, correct and complete. Borrower acknowledges that County is relying upon Borrower's representations as to income, household size, assets and other information to determine whether Borrower is a low- or moderate-income household, and County would not have entered into this Agreement if Borrower did not so qualify. In the event that City discovers that any of such information is materially untrue, County may declare the County Loan immediately due and payable. In addition to qualifying as a low or moderate income household, Borrower has submitted evidence satisfactory to County that Borrower's total debt-to-income ratio does not exceed, taking the County Loan into consideration, forty-five percent (45%), and Borrower represents and warrants that such evidence remains complete and accurate as of the date of this Agreement.

6. Non-Discrimination Covenants. Borrower covenants by and for itself, its successors and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. Nothing in this Section 6 shall be construed to permit the Property or any portion thereof to be sold or leased except as otherwise permitted by this Agreement.

7. Married Sole and Separate Property. A married individual taking title to the Property as his or her sole and separate property is subject to special requirements because of California Community Property Laws and the Federal Tax Act. If the Borrower is legally separated, or has filed for divorce and a legal property disposition agreement exists between the Borrower and the Borrower's spouse, a quitclaim deed from the Borrower's spouse and a copy of the property disposition agreement may be required by County. In the absence of an existing legal property disposition agreement between the Borrower and the Borrower's spouse, as a condition of approval of the County Loan, a quitclaim deed, a special agreement and a release of interest signed by both the Borrower and the Borrower's spouse, after consultation with an attorney, may be required by County. Additionally, if the Borrower's spouse is to reside in the household, their combined income must be included in the income test for eligibility under the Program.

8. Loan Servicing. County may contract with an outside organization to originate and service the County Loan.

9. Borrower Financing. Borrower shall obtain first mortgage financing for the purchase price of the Property and may obtain one or more additional mortgage(s) for downpayment assistance from one or more reputable institutional lender(s) reasonably acceptable to County (collectively, the "Lender"). Borrower shall at all times during the term of the County Loan comply with all requirements of the Lender, including without limitation, loan underwriting standards, minimum down payment requirements, private mortgage insurance requirements, homebuyer education requirements, and tax and insurance impound requirements. In addition, not less than one percent (1%) of the purchase price of the Property, XXXXX, shall be paid in cash from Borrower's own resources and not from the proceeds of a loan secured by a lien on the Property, and seller concessions may not be used to meet this requirement. The total amount of the first mortgage loan and the County Loan, and all other indebtedness to be secured by the Property, if any, plus Borrower's down payment, shall not exceed one hundred percent (100%) of the purchase price of the Property plus a maximum of up to five percent (5%) of the purchase price to cover actual non-recurring closing costs.

10. Subordination. Except as provided otherwise herein, the Deed of Trust will be subordinated to the First Lien and Additional Liens (if any) on the Property held by the Lender and shall not impair the rights of Lender, or Lender's assignee or successor in interest, to exercise its remedies under the First Lien and/or any Additional Liens in the event of default under such First Lien and/or Additional Liens by Borrower. Such remedies under the First Lien and/or Additional Liens, as applicable, may include the right of foreclosure or acceptance of a deed or assignment in lieu of foreclosure. If title to the Property is transferred by foreclosure or acceptance of a deed in lieu of foreclosure, or assignment of the First Lien and/or Additional Liens, as applicable, to the Secretary of the Department of Housing and Urban Development, the Deed of Trust shall be automatically terminated and shall have no further effect as to the Property or any transferee thereafter. However, in no event **shall the Deed of Trust be subordinate to any lien on the Property securing a loan with provisions which allow negative amortization, or refinancing of such lien for a loan amount in excess of the sum of the then current loan balance secured by such lien and loan closing costs.**

Borrower agrees it shall instruct the Escrow Agent for the acquisition of the Property by the Borrower that the order of recording in the escrow for the purchase of the Property by the Borrower shall occur as follows: (1) the Grant Deed, (2) the First Lien (3) Additional Liens held by CalHFA or as otherwise approved by County; and (4) Deed of Trust. County shall cause a Request for Notice under Civil Code Section 2924b in substantially the form attached and incorporated as Exhibit "**F**" ("Request for Notice") to be recorded on the Property subsequent to the recordation of the deeds of trust or mortgages for the First Lien, any Additional Liens, and the Deed of Trust, requesting a statutory notice of default as set forth in the California Civil Code Section 2924b, and shall cause a request for Notice of Delinquency to be recorded on the Property subsequent to the recordation of the deeds of trust or mortgages for the First Lien and any Additional Liens.

11. Indemnification. The Borrower shall defend, indemnify, and hold harmless County and its respective officers, agents, employees, representatives and volunteers from and against any loss, liability, claim or judgment relating in any manner to the Property or this Agreement. The Borrower shall remain fully obligated for the payment of property taxes, liens, and assessments related to the Property. There shall be no reduction in taxes for Borrower, nor any transfer of responsibility to County to make such payments, by virtue of the County Loan.

12. Insurance. Borrower shall keep the Property insured with loss payable to the County, against loss or damage by fire and such other hazards, casualties and contingencies (including flood if the Property is located in a 100-year flood plan) and by such companies on such forms and in the amount of the replacement cost of the Property, and to deliver the original of all such policies to the County, together with receipts satisfactory to the County evidencing payment of the premiums. All such policies provide that the County shall be given thirty (30) days advance written notice of the cancellation, expiration or termination of any such policy or any material change in the coverage afforded by it. Renewal policies and any replacement policies, together with premium receipts satisfactory to the County, shall be delivered to the County at least thirty (30) days prior to the expiration of existing policies. The County shall not by reason of accepting, rejecting, approving or obtaining insurance incur any liability for the existence, nonexistence, form or legal sufficiency of such insurance, or solvency of any insurer for payment of losses. All insurance proceeds for such losses must be utilized for the repair or restoration of the insured property. The insurance policy shall contain the following clauses:

a. "This insurance shall not be canceled, limited in scope or coverage, or non-renewed until after thirty (30) days prior written notice has been given to the County."

b. "It is agreed that any insurance maintained by the County shall apply in excess of and not contribute with insurance provided by this policy."

c. "The County and their officers, agents, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of the named insured."

d. "The County are added as a loss payee/mortgagee as respects physical loss or damage to the Property."

Borrower shall transmit a copy of the certificate of insurance and additional ensured/loss payee endorsement required by this Section 12 to County within thirty (30) days of the effective date of this Agreement, and Borrower shall annually transmit to County a copy of the certificate of insurance and an additional insured/loss payee endorsement, signed by an authorized agent of the insurance carrier setting forth the general provisions of coverage. The copy of the certificate of insurance and endorsements shall be transmitted to County at the address set forth in Section 24 hereof. Any certificate of insurance must be in a form, content, and with companies reasonably acceptable to County. County may verify compliance with this Section on an annual basis.

13. Defaults. Failure or delay by either party to perform any term or provision of this Agreement which is not cured within thirty (30) days after receipt of notice from the other party constitutes a default under this Agreement; provided, however, if such default is of the nature requiring more than thirty (30) days to cure, the defaulting party shall avoid default hereunder by commencing to cure within such thirty (30) day period, and thereafter diligently pursuing such cure to completion. The party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay, and shall complete such cure, correction or remedy with diligence. The injured party shall give written notice of default to the party in default, specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not institute proceedings against the party in default until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

14. Remedies. County shall be entitled to all legal and equitable remedies available under the law upon the default of the terms of this Agreement by Borrower. Such remedies may include, without limitation, (a) specific performance of the terms of the Agreement, (b) declaring County Loan immediately due and payable, and (c) an order to pay attorneys' fees and litigation costs, as set forth in Section 26 herein.

15. Non-Waiver. Failure to exercise any right County may have or be entitled to, in the event of default hereunder, shall not constitute a waiver of such right or any other right in the event of a subsequent default.

16. Term of Agreement. The terms, covenants, and conditions of this Agreement shall remain in force as long as any money is owing on the County Loan, as the Promissory Note may be extended, in writing, by County.

17. Documents. Borrower is aware that County has prepared certain documents to implement the Program and secure repayment of the County Loan. Borrower has reviewed and agrees to execute the following documents in substantially the form as attached hereto prior to receiving the County Loan, and any other documents reasonably required by County or a participating entity to complete the transaction contemplated herein:

a. Promissory Note (Exhibit "**B**");

b. Deed of Trust (Exhibit "**C**");

c. Program Disclosure Statement (Exhibit "**D**");

d. Regulation Z Disclosure Statement (Exhibit "**E**"); and

e. Request for Notice of Default or Sale (Exhibit "**F**").

Borrower agrees and acknowledges that the Deed of Trust and a Request for Notice of Default or Sale shall be recorded against the Property with the County Recorder of Orange County and that the Deed of Trust shall appear of record with respect to and as an encumbrance to the Property.

18. Further Assurances. Borrower shall execute any further documents consistent with the terms of this Agreement as County shall from time to time find reasonably necessary or appropriate to effectuate its purposes in entering into this Agreement and making the County Loan.

19. Governing Law. The Borrower hereby agrees to comply with all ordinances, rules, and regulations of County, city (as applicable), state, and federal governments. Nothing in this Agreement is intended to be, nor shall it be deemed to be, a waiver of any County or city (as applicable) ordinance, rule, or regulation. This Agreement shall be governed by the laws of the State of California. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of Orange, State of California or in the Federal District Court in which County is located.

20. Amendment of Agreement. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made except by a written agreement executed by the Borrower and County.

21. Third Party Beneficiary. This Agreement is made and entered into for the protection and benefit of County, its successors and assigns, and Borrower, its permitted successors and assigns, and no other person or persons.

22. Borrower Assignment Prohibited. In no event shall Borrower assign or transfer any portion of this Agreement or the Promissory Note.

23. Relationship of Borrower and County. The relationship of Borrower and County pursuant to this Agreement is that of debtor and creditor and shall not be, or be construed to be, a joint venture, equity venture, partnership, or other relationship.

24. Monitoring. To the extent permitted by law, County and its designated employees and agents shall have the right to enter the Property at all reasonable times without a warrant for the purpose of monitoring the Borrower's compliance with this Agreement. Any such entry shall be made only after reasonable notice to the Borrower, which shall mean at least forty-eight (48) hours in all non-emergency situations. Upon receipt of such notice, the Borrower agrees to consent to entry by County and to cooperate in making the Property available for inspection by County. The Borrower acknowledges and agrees that if for any reason the Borrower fails to consent to such entry or inspection, County may obtain an administrative inspection warrant or take such other legal actions as may be necessary to gain access to and inspect the Property. County shall indemnify and hold harmless the Borrower from any costs, claims, damages or liabilities arising from any such entry.

25. Notices. Any notices, requests or approvals given under this Agreement from one party to another may be personally delivered or deposited with the United States Postal Service for mailing, postage prepaid, registered or certified mail, return receipt requested to the following addresses:

To Borrower: _______________
____
____
____

To County:

County of Orange
OC Community Resources/
OC Housing & Community Development
1501 E. St. Andrew Place, First Floor
Santa Ana, CA 92705
Attn: Director

Either party may change its address for notice by giving written notice thereof to the other party. Attorneys' Fees and Costs. Should either of the parties to this Agreement incur attorneys' fees in seeking the enforcement of this Agreement, whether or not a final court judgment is entered, the prevailing party shall be entitled to reimbursement of its reasonable attorneys' fees and litigation costs, including without limitation expert witness fees, by the other party.

26. **Entire Agreement.** This Agreement, together with all attachments, constitutes the entire understanding and agreement of the parties. This Agreement integrates all of the terms and conditions mentioned or incidental, and supersedes all prior negotiations, discussions and previous agreements between County and the Borrower concerning all or any part of the subject matter of this Agreement.

27. **Counterparts.** This Agreement may be signed in multiple counterparts which, when signed by all parties, shall constitute a binding original.

[Signatures appear on following page.]

IN WITNESS WHEREOF, the parties have executed this Affordable Housing Loan Agreement (MAP Program) as of the date set forth in the first paragraph hereof.

BORROWER:

By: ____
Printed Name: ________________________________

By: ____
Printed Name: ________________________________

COUNTY:

COUNTY OF ORANGE, a political subdivision of the state of California

By:____________________________________
Julia Bidwell, Director
OC Community Resources,
OC Housing and Community Development
County of Orange

APPROVED AS TO FORM
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

Signed by:
By Jacqueline Guzman
8452584753D3488...
Deputy

Dated 8/4/2026

EXHIBIT "A"

LEGAL DESCRIPTION OF PROPERTY

EXHIBIT "B"

COUNTY OF ORANGE
MORTGAGE ASSISTANCE
PROGRAM

PROMISSORY NOTE

*******NOTICE TO BORROWER*******
THIS DOCUMENT CONTAINS PROVISIONS
RESTRICTING ASSUMPTIONS AND IS SECURED BY
A DEED OF TRUST ON RESIDENTIAL PROPERTY

$[XXXX] Date: ________________

FOR VALUE RECEIVED, the undersigned, **_____________, [**Vesting Information] ("Borrower"), hereby promises to pay to the order of the **COUNTY OF ORANGE**, a political subdivision of the State of California ("Lender"), at the following address c/o OC Community Resources 1501 East St. Andrew Place, 1st Floor, Santa Ana, California 92705, Attn: Accounting, or at such other place as Lender may from time to time designate by written notice to Borrower, in lawful money of the United States of America, the sum of **XXXXX Dollars ($XXXXX)** with simple interest at the rate of three percent (3%) per annum on the unpaid principal balance from the date of this Note, until paid (together with all amounts which are or may become owing under this Note, the "**Note Amount**"). The obligation of the Borrower with respect to this Note is secured by that certain MAP Program Deed of Trust ("**Deed of Trust**"), and executed by the Borrower concurrently herewith.

1. Borrower's Obligation. This Note evidences the obligation of the Borrower to the Lender for the repayment of funds loaned ("**County Loan**") to finance the purchase of that certain real property ("**Property**"), which has the address of: ___________________, more fully described in Attachment No. 1 to the Deed of Trust. This Note is provided pursuant to that certain Mortgage Assistance Program (MAP) Borrower Loan Agreement and Disclosure Statement and between Lender and Borrower, dated as of ("Loan Agreement"), a copy of which is on file as a public record with the Lender. The Loan Agreement is incorporated herein by this reference. The Borrower acknowledges that but for the execution of this Note, the Lender would not enter into the Loan Agreement or make the loans contemplated therein. Unless definitions of terms have been expressly set out at length herein, each term shall have the same definition as set forth in the Loan Agreement.

2. Borrower(s) Acknowledge(s) and Agree(s): that the County Loan is subject to the terms, conditions, and restrictions of the State of California, MAP Program as set forth in Section 50470 of the California Health and Safety Code and implementing guidelines or regulations adopted by the California Department of Housing and Community Development., all of which are hereby incorporated by reference.

3. Repayment of Loan Principal and Interest. No periodic payments are required hereunder. Borrower agrees to pay the unpaid principal balance, all unpaid accrued interest, and any other amounts due under this Note upon the earlier of:

(a) 30 years from the date of this Note; or

(b) Upon sale, transfer, lease, rental or encumbrance of all or any interest in the Property without Lender's prior written consent, except for a transfer permitted in Paragraph 4; or

(c) Upon the maturity date, or full repayment, of any debt that is secured by a lien on the Property that is senior to the Deed of Trust; or

(d) Upon Borrower's failure to occupy the Property as Borrower's principal place of residence.

4. <u>Permitted Transfers</u>.

The County Loan is not assumable except under the following limited circumstances:

(a) The transfer of the Property to the surviving joint tenant by devise, descent or operation of the law, on the death of a joint tenant; or

(b) A transfer, in which the transferee is a person who occupies or will occupy the Property, which is:

(1) A transfer of the Property where the spouse becomes an owner of the Property;

(2) A transfer of the Property resulting from a decree of dissolution of marriage, legal separation or from an incidental property settlement agreement by which the spouse becomes an owner of the Property.

(3) A transfer to an inter vivos trust in which the Borrower is and remains the beneficiary and occupant of the Property.

5. <u>Acceleration of Payment</u>. The principal amount of this loan, together with any then outstanding accrued interest thereon shall become immediately due and payable, at the option of the Lender and without demand or notice, upon the occurrence of any of the following events (each of which constitutes an "Event of Acceleration:"

(a) In the event of a default under the terms of this Note or the Deed of Trust;

(b) In the event that the Borrower shall cease to occupy the Property as Borrower's principal place of residence; or

(c) In the event of any sale, transfer, lease, or encumbrance of all or any part of the Property without Lender's prior written consent in violation of Paragraph 4 of this Note.

After paying all costs and fees relating to the transaction that constitutes an Event of Acceleration, if any (such as escrow fees, transfer taxes, recording fees, brokerage commissions and similar costs), the proceeds of any such transaction (or, in the case of any Event of Acceleration other than a sale, the appraised value of the Property) shall be distributed or applied in the following order of priority:

(i) Repayment of the First Lien;

(ii) Repayment of any Additional Liens senior to the County Loan; and

(iii) Repayment to County of the Note Amount and all accrued interest thereon.

6. **Effect of Due-on Sale Clause.** Failure of the Lender to exercise the option to accelerate payment as provided in Paragraph 5 of this Note will not constitute waiver of the right to exercise this option in the event of subsequent cause for acceleration. Failure by Borrower to occupy the Property as Borrower's principal place of residence shall be considered an on-going event of default under this Note.

7. **Place and Manner of Payment.** All amounts due and payable under this Note are payable at the principal office of the Lender set forth above, or at such other place or places as the Lender may designate to the Borrower in writing from time-to-time.

8. **Application of Payments.** All payments received on account of this Note shall be first applied to accrued interest, if any, and the remainder shall be applied to the reduction of principal.

9. **Borrower Assignment Prohibited.** In no event shall Borrower assign or transfer any portion of this Note, the Note Amount without the prior express written consent of the Lender.

10. **Joint and Several.** This Note is a joint and several obligation; thus, the undersigned, if more than one, shall be jointly and severally liable under this Note.

11. **Amendments.** This Note may not be modified or amended except by an instrument in writing expressing such intention executed by the parties sought to be bound thereby, which writing must be so firmly attached to this Note so as to become a permanent part thereof.

12. **Borrower's Waivers.** Borrower waives any rights to require the Lender to: (a) demand payment of amounts due (known as "presentment"), (b) give notice that amounts due have not been paid (known as "notice of dishonor"), and (c) obtain an official certification of nonpayment (known as "protest").

13. **Attorney's Fees and Costs.** The Borrower agrees to pay all costs and expenses, including reasonable attorney's fees, litigation costs and expert witness fees, which may be incurred by the Lender in the enforcement of this Note.

14. **Default and Acceleration.** All covenants, conditions and agreements contained in the Deed of Trust are hereby made a part of this Note. The Borrower agrees that the unpaid balance of the then principal amount of this Note, together with all accrued interest thereon and charges owing, shall, at the option of the Lender or, if so provided in this Note and the Deed of Trust executed by the Borrower, shall automatically become immediately due and payable, and thereafter until paid bear interest at the maximum rate of interest permitted by law, upon the failure of the Borrower to make any payment hereunder as and when due; upon the failure of the Borrower to perform or observe any other term or provision of this Note, or upon the occurrence of any event (whether termed default, event of default or similar term) which under the terms of the Deed of Trust, shall entitle the Lender to exercise rights or remedies thereunder.

15. **Notices.** Except as may be otherwise specified herein, any approval, notice, direction, consent, request or other action by the Lender shall be in writing and must be communicated to the

Borrower at the address of the Property, or at such other place or places as the Borrower shall designate to the Lender in writing, from time to time, for the receipt of communications from the Lender. Mailed notices shall be deemed delivered and received five (5) working days after deposit in the United States mails in accordance with this provision.

16. Prepayment Policy. Borrower may prepay this Note at any time in whole or part without penalty. Prepayment will be applied to interest first, then principal.

17. Governing Law. This Note shall be construed in accordance with and be governed by the laws of the State of California.

18. Severability. If any provision of this Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.

19. No Waiver by the Lender. No waiver of any breach, default or failure of condition under the terms of the Note or Deed of Trust shall thereby be implied from any failure of the Lender to take, or any delay by the Lender in taking action with respect to such breach, default or failure or from any previous waiver of any similar or unrelated breach, default or failure; and a waiver of any term of the Note, Deed of Trust, or any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.

20. Successors and Assigns. The promises and agreements herein contained shall bind and inure to the benefit of, as applicable, the respective heirs, executors, administrators, successors and assigns of the parties.

Executed as of the date first set forth above at, California.

BORROWER: ____________________

____
Borrower:

____
Borrower:

RECORDING REQUESTED BY AND
When Recorded Mail To:
County of Orange
OC Community Resources/
OC Housing & Community Development
1501 E. St. Andrew Place, First Floor
Santa Ana, CA 92705

Exempt from recording fee pursuant to Government Code Sections 6103 and 27383

COUNTY OF ORANGE
MORTGAGE ASSISTANCE PROGRAM
DEED OF TRUST

*****NOTICE TO BORROWER*****
THIS DEED OF TRUST CONTAINS PROVISIONS RESTRICTING ASSUMPTIONS

This Deed of Trust is made on ______________, by __________________, [Vesting Information] ("Borrower"), and _____________ ("Trustee"), whose business address is ___________________________, in favor of the **COUNTY OF ORANGE**, a political subdivision of the State of California ("Lender") or assignee, whose address is 1501 E. St. Andrew Place, First Floor, Santa Ana, CA 92705.

1. BORROWER, IN CONSIDERATION OF THE INDEBTEDNESS HEREIN RECITED AND THE TRUST HEREIN CREATED, HEREBY IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS to Trustee in trust, with power of sale and right of entry and possession, all of Borrower's right, title and interest now held or hereafter acquired in and to the following: (a) all of that certain real property ("Property") located at ____________________ in the City of ____________, County of Orange, State of California, which is more particularly described in Attachment No. 1 (attached) which is incorporated herein by this reference; and (b) all buildings, improvements and fixtures now or hereafter erected thereon, and all appurtenances, easements, and articles of property now or hereafter affixed to, placed upon or used in connection with the Property, together with all additions to, substitutions for, changes in or replacements of the whole or any part of said articles of property; all of which are hereby pledged and assigned, transferred, and set over onto Trustee, and for purposes of this Deed of Trust declared to be part of the realty; provided, however, that furniture and other personal property of Borrower now or hereafter situated on said real property are not intended to be included as part of the Property.

2. FOR THE PURPOSE OF SECURING:

2.1. Repayment of the indebtedness evidenced by that certain Promissory Note executed by Borrower in favor of Lender, dated as of ___________, and entitled County of Orange Mortgage Assistance Program Promissory Note Loan No. ___("Note") in the principal amount of **XXXXX Dollars ($XXXXX)**, together with such other amounts that may become due according to the terms of the

Note, and any and all amendments, modifications, extensions or renewals of the Note. The Note and this Deed of Trust are subject to the terms, conditions, and restrictions of the State of California [PLHA Program as set forth in Section 50470] of the California Health and Safety Code and implementing guidelines or regulations adopted by the California Department of Housing and Community Development,] [CalHome Program as set forth in Section 50650 et seq., and the implementing regulations set forth at Title 25 California Code of Regulations Section 7715, et seq.,] all of which are hereby incorporated by reference.

2.2. Payment of such additional sums:

(a) As may hereafter be borrowed from Lender by the then-record owner of the Property and evidenced by a promissory note or notes reciting that it or they are so secured and all modifications, extensions, or renewals of the Note; and

(b) As may be incurred, paid, or advanced by Lender, or as may otherwise be due to Trustee or Lender, under any provision of this Deed of Trust and any modification, extension, or renewal of this Deed of Trust; and

(c) As may otherwise be paid or advanced by Lender to protect the security or priority of this Deed of Trust.

2.3. Performance of each obligation, covenant, and agreement of Borrower contained in this Deed of Trust, the Note, or any other document executed by Borrower in favor of Lender stating that it is secured by this Deed of Trust, and all amendments to these documents whether set forth in this Deed of Trust or incorporated in this Deed of Trust by reference.

3. BORROWER COVENANTS:

Borrower hereby covenants to maintain and protect the security of this Deed of Trust, to secure the full and timely performance by Borrower of each and every obligation, covenant, and agreement of Borrower under the Note and this Deed of Trust, and as additional consideration for the obligation(s) evidenced by the Note, Borrower covenants as follows:

3.1. Title. That Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property, and that Borrower will warrant and defend generally the title of the Property against all claims and demands subject to any declarations, easements, or restrictions listed in the schedule of exemptions to coverage in any title insurance policy insuring Lender's interest in the Property.

3.2. Payment of Principal and Interest. That Borrower shall promptly pay, when due, the principal and interest on the Note, and such other charges as are provided in the Note, and such other amounts as are provided under this Deed of Trust.

3.3. Maintenance of the Property. That Borrower shall (a) keep the Property in a decent, safe, sanitary, tenantable condition and repair and permit no waste thereof; (b) not commit or suffer to be done or exist on or about the Property any condition causing the Property to become less valuable; (c) remove, demolish or structurally alter any buildings and improvements now or hereinafter located on the Property; (d) repair, restore or rebuild promptly any buildings or improvements on the Property that may become damaged or be destroyed while subject to the lien of this Deed of Trust; (e) comply with all applicable laws, ordinances and governmental regulations affecting the Property or requiring any alteration or improvement thereof, and not to suffer or permit any violations of any such law, ordinance or governmental regulation, nor of any covenant, condition or restriction affecting the

Property; (f) not initiate or acquiesce in any change in any zoning or other land use or legal classification which affects any of the Property without the Lender's written consent; and (g) not alter the use of all or any part of the Property without the prior written consent of the Lender.

3.4. Appear and Defend. That Borrower shall appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of the Lender or Trustee; and shall pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which the Lender or Trustee may appear, and in any suit brought by the Lender to foreclose this Deed of Trust.

3.5. Payment of Taxes and Utility Charges. That Borrower shall pay, at least ten (10) days before delinquency all taxes and assessments affecting the Property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, fines and impositions attributable to the Property, leasehold payments or ground rents, if any, and any interest on the Property or any part thereof; and all costs, fees and expenses of this trust. Borrower shall make such payments when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and Borrower shall promptly furnish to Lender receipts evidencing all such payments made.

3.6. Insurance. That Borrower shall keep the Property insured with loss payable to the Lender, against loss or damage by fire and such other hazards, casualties and contingencies (including flood if the Property is located in a 100-year flood plan) and by such companies on such forms as reasonably required by Lender and in the amount of the replacement cost of the Property, and to deliver the original of all such policies to the Lender, together with receipts satisfactory to the Lender evidencing payment of the premiums. All such policies provide that the Lender shall be given thirty (30) days advance written notice of the cancellation, expiration or termination of any such policy or any material change in the coverage afforded by it. Renewal policies and any replacement policies, together with premium receipts satisfactory to the Lender, shall be delivered to the Lender at least thirty (30) days prior to the expiration of existing policies. Neither Trustee nor the Lender shall by reason of accepting, rejecting, approving or obtaining insurance incur any liability for the existence, nonexistence, form or legal sufficiency of such insurance, or solvency of any insurer for payment of losses. All insurance proceeds for such losses must be utilized for the repair or restoration of the insured property.

3.7. Payments and Discharge of Liens. Borrower will pay, when due, all claims of every kind and nature which might or could become a lien on the Property or any part thereof; provided, however, that the following are excepted from this prohibition: (a) liens for taxes and assessments which are not delinquent although by law are given the status of a lien, and (b) such of the above claims as are, and only during the time they are, being contested by Borrower in good faith and by appropriate legal proceedings, and Borrower shall post security for the payment of these contested claims as may be requested by the Lender. Borrower shall not default in the payment or performance of any obligation secured by a lien, mortgage or deed of trust which is superior to this Deed of Trust.

3.8. Annual Monitoring. Borrower shall provide documentation to substantiate that the Property is owner occupied including, but not limited to, your driver's license or California identification card, a utility bill, and verification of your homeowner's insurance upon request from the County as part of its annual compliance monitoring.

4. IT IS MUTUALLY AGREED THAT:

4.1. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and Section 2.1 shall be applied by Lender to the principal due on the Note.

4.2. <u>Future Advances</u>. Upon request by Borrower, Lender, at Lender's option, may make future advances to Borrower. All such future advances, with interest thereon, shall be added to and become a part of the indebtedness secured by this Deed of Trust when evidenced by promissory note(s) reciting that such note(s) are secured by this Deed of Trust.

4.3. <u>Disbursements to Protect Lender's Security</u>. All sums disbursed by Lender to protect and preserve the Property, this Deed of Trust, or Lender's security for the performance of Borrower's obligations under the Note shall be and be deemed to be an indebtedness of Borrower secured by this Deed of Trust.

4.4. <u>Protection of Lender's Security</u>. If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, arrangements or proceedings involving a bankrupt or decedent, foreclosure of any mortgage secured by the Property or sale of the Property under a power of sale of any instrument secured by the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearance, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this Section 4.4, with interest thereon, shall become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the highest rate permissible under applicable law. Nothing contained in this Section 4.4 shall require Lender to incur any expense or take any action hereunder.

4.5. <u>Inspection</u>. Lender or its agent may make or cause to be made reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to any such inspection specifying reasonable cause for the inspection

4.6. <u>Awards and Damages</u>. All judgments, awards of damages, settlements and compensation made in connection with or in lieu of (a) taking of all or any part of or any interest in the Property by or under assertion of the power of eminent domain, (b) any damage to or destruction of the Property or any part thereof by insured casualty, and (c) any other injury or damage to all or any part of the Property, are hereby assigned to and shall be paid to the Lender. The Lender is authorized and empowered (but not required) to collect and receive any such sums and is authorized to apply them in whole or in part upon any indebtedness or obligation secured hereby, in such order and manner as the Lender shall determine at its option. The Lender shall be entitled to settle and adjust all claims under insurance policies provided under this Deed of Trust and may deduct and retain from the proceeds of such insurance the amount of all expenses incurred by it in connection with any such settlement or adjustment. All or any part of the amounts so collected and recovered by the Lender may be released to Borrower upon such conditions as the Lender may impose for its disposition. Application of all or any part of the amounts collected and received by the Lender or the release thereof shall not cure or waive any default under this Deed of Trust. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemn or offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within thirty (30) days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sum secured by this Deed of Trust.

4.7. <u>Prohibition on Transfers of Interest</u>. With the exception of the transfers permitted in Section 4.11 below, if all or any part of the Property or an interest therein is sold or transferred by

Borrower without Lender's prior written consent, Lender may, at Lender's option, declare all the sums secured by this Security Instrument to be immediately due and payable. If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with Section 6.9 hereof. Such notices shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by Section 5.2(a) hereof.

4.8. <u>Sale or Forbearance</u>. No sale of the Property, forbearances on the part of the Lender or extension of the time for payment of the indebtedness hereby secured shall operate to release, discharge, waive, modify, change or affect the liability of Borrower either in whole or in part.

4.9. <u>The Lender's Rights to Release</u>. Without affecting the liability of any person for payment of any indebtedness hereby secured (other than any person released pursuant hereto), including without limitation any one or more endorsers or guarantors, and without affecting the lien hereof upon any of the Property not released pursuant hereto, at any time and from time to time without notice: (a) the Lender may, at its sole discretion, (I) release any person now or hereafter liable for payment of any or all such indebtedness. (II) extend the time for or agree to alter the terms of payment of any or all of such indebtedness, and (III) release or accept additional security for such indebtedness, or subordinate the lien or charge hereof; and (b) Trustee, acting pursuant to the written request of the Lender, may reconvey all or any part of the Property, consent to the making of any map or plot thereof, join in granting any assessment thereon, or join in any such agreement of extension or subordination.

4.10. <u>Reconveyance</u>. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing indebtedness secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled thereto. Such person or persons shall pay all costs of recordation, if any. The recitals in the reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof.

4.11. <u>Requirement of Owner-Occupancy and Permitted Transfers</u>. Borrower shall occupy the Property as Borrower's principal place of residence during the term of the Note. Notwithstanding any other provision of the Note or this Deed of Trust, the following transfers shall not be deemed to be a default under the Note or this Deed of Trust:

(a) The transfer of the Property to the surviving joint tenant by devise, descent or operation of the law, on the death of a joint tenant, or

(b) A transfer, in which the transferee is a person who occupies or will occupy the Property, which is:

(1) A transfer of the Property where the spouse becomes an owner of the Property; or

(2) A transfer of the Property resulting from a decree of dissolution of marriage, legal separation or from an incidental property settlement agreement by which the spouse becomes an owner of the Property; or

(3) A transfer to an inter vivos trust in which the Borrower is and remains the beneficiary and occupant of the Property.

4.12. Subordination. The provisions of this Deed of Trust have been subordinated to the first lien purchase money mortgage on the Property ("First Lien") held by an institutional lender, including without limitation the California Housing Finance Agency and its successors and assigns ("CalHFA"), and, as applicable one or more additional loan(s) as approved by Lender, including lien instruments that secure other homebuyer purchase money and/or downpayment assistance, including without limitation state or federal affordable housing programs such as Housing Enabled by Local Partnerships (HELP), Building Equity and Growth in Neighborhoods (BEGIN), the CalHome program, and CalHFA mortgage downpayment assistance (collectively, as applicable, "Additional Liens"). Additional Liens in the name of or held by CalHFA shall be deemed to be approved by Lender. The provisions of this Deed of Trust shall not impair the rights of the lender or investor holding the First Lien or approved Additional Liens, or their assignee or successor in interest, to exercise its remedies under such First Lien and/or any Additional Liens in the event of default under such First Lien and/or Additional Liens, as applicable, by Trustor. Such remedies under such First Lien and/or Additional Liens, as applicable, may include the right of foreclosure or acceptance of a deed or assignment in lieu of foreclosure. If title to the Property is transferred by foreclosure or acceptance of a deed in lieu of foreclosure, or assignment of the First Lien and/or Additional Liens, as applicable, to the Secretary of the Department of Housing and Urban Development, this Deed of Trust shall be automatically terminated and shall have no further effect as to the Property or any transferee thereafter. However, in no event shall this Deed of Trust be subordinate to any lien on the Property securing a loan with provisions which allow negative amortization, or refinancing of such lien for a loan amount in excess of the sum of the then current loan balance secured by such lien and loan closing costs. Trustor acknowledges and agrees that the escrow holder for Trustor's acquisition of the Property will be instructed to record in the following order: 1) Grant Deed, 2) First Lien, 3) Additional Liens held by CalHFA or as otherwise approved by County; and 4) this Deed of Trust.

4.13. Deposit of Payments and Primary Residence Requirements. Amounts repaid to County shall be deposited in County's MAP account to be reused for additional down payment assistance consistent with MAP Regulations and HCD Guidelines. If, at any point prior to the repayment of the deed in full, the Property is no longer the primary residence of the homeowner for any reason, repayment will be subject to Section 302(c)(6) of the MAP Guidelines.

5. EVENTS OF DEFAULT

5.1. Events of Default. Any one or more of the following events shall constitute a default under this Deed of Trust: (a) failure of the Borrower to pay the indebtedness secured hereby or any installment thereof, whether principal, interest or otherwise, when and as the same become due and payable, whether at maturity or by acceleration or otherwise; or (b) failure of Borrower to observe or to perform any covenant condition or agreement to be observed or performed by Borrower pursuant to the Note or this Deed of Trust including but not limited to the occupancy of Property by Borrower provision; or (c) the occurrence of any event which, under the terms of the Note shall entitle the Lender to exercise its rights or remedies thereunder; or (d) the occurrence of any event which, under the terms of the loan documents executed in connection with the First Lien or any Additional Liens which shall entitle the lenders thereunder to exercise the rights or remedies thereunder.

5.2. Acceleration and Sale.

(a) Acceleration. Except as provided in Section 4.7, upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, upon Borrower's failure to make any payment or to perform any of its obligations, covenants and agreements pursuant to the Note, Lender shall mail notice to Borrower as provided in Section 6.9 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, no less than 30 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration and sale. If the breach is not cured on or before the date specified in the notice, Lender at Lender's option may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect from the Borrower, or sale proceeds, if any, all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorney's fees.

(b) Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Deed of Trust, Borrower will have the right to have any proceedings begun by Lender to enforce this Deed of Trust discontinued at any time prior to five (5) days before sale of the Property pursuant to the power of sale contained in this Deed of Trust or at any time prior to entry of the judgment enforcing this Deed of Trust if: (1) Borrower pays Lender all sums which would be then due under this Deed of Trust and the Note, had no acceleration occurred; (2) Borrower pays all reasonable expenses incurred by Lender and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust, remedies including, but not limited to, reasonable attorneys' fees; and (3) Borrower takes such action as Lender may reasonably require to assure that the lien of this Deed of Trust, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired. Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby will remain in full force and effect as if no acceleration had occurred.

(c) Sale. After delivery to Trustee of a Notice of Default and Demand for Sale and after the expiration of such time and the giving of such notice of default and sale as may then be required by law, and without demand on Borrower, Trustee shall sell the Property at the time and place of sale fixed by it in said notice of sale, at public auction to the highest bidder for cash in lawful money of the United States of America, payable at time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at such time and place of sale and from time to time thereafter may postpone such sale by public announcement at the time and place fixed by the preceding postponement. Any person, including Borrower, Trustee or the Lender, may purchase at such sale. Upon such sale by Trustee it shall deliver to such purchaser its deed conveying the Property so sold, but without any covenant or warranty expressed or implied. The recitals in such deed of any matters or facts shall be conclusive proof of their truthfulness. Upon sale by Trustee and after deducting all costs, expenses and fees of Trustee and of this Deed of Trust, Trustee shall apply the proceeds of sale to the payment of the principal indebtedness hereby secured, whether evidenced by the Note or otherwise, or representing advances made or costs or expenses paid or incurred by the Lender under this Deed of Trust, or the secured obligations or any other instrument evidencing or securing any indebtedness hereby secured and to the payment of all other sums then secured thereby, including interest as provided in this Deed of Trust, the secured obligations or any other such instrument, in such order as the Lender shall direct; and then the remainder, if any, shall be paid to the person or persons legally entitled thereto.

(d) Assignment of Rents; Appointment of Receiver; Lender in Possession. Upon acceleration under paragraph (a) of Section 5.2 hereof or abandonment of the Property, Lender (in person, by agent or by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property (if any) including those past due. All rents collected by Lender or the Receiver shall be applied first to payment of the costs of management of the Property and collection of rents including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Deed of Trust. Lender and the receiver shall be liable to account only for those rents actually received. The provisions of this paragraph and paragraph (a) of Section 5.2 shall operate subject to the claims of prior lien holders.

5.3. **Exercise of Remedies; Delay.** No exercise of any right or remedy by the Lender or Trustee hereunder shall constitute a waiver of any other right or remedy herein contained or provided by law, and no delay by the Lender or Trustee in exercising any such right or remedy hereunder shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder.

5.4. **Trustee Substitution.** The irrevocable power to appoint a substitute trustee or trustees hereunder is hereby expressly granted to the Lender, to be exercised at any time hereafter, without specifying any reason therefor by filing for record in the office where this Deed of Trust is recorded a deed of appointment, and said power of appointment of successor trustee or trustees may be exercised as often as and whenever the Lender deems advisable. The exercise of said power of appointment, no matter how often, shall not be deemed an exhaustion thereof, and upon recording of such deed or deeds of appointment, the trustee or trustees so appointed shall thereupon, without further act or deed of conveyance, succeed to and become fully vested with identically the same title and estate in and to the Property hereby conveyed and with all the rights, powers, trusts and duties of the predecessor in the trust hereunder, with the like effect as if originally named as trustee or as one of the trustees.

5.5. **Remedies Cumulative.** No remedy herein contained or conferred upon the Lender or Trustee is intended to be exclusive of any other remedy or remedies afforded by law or by the terms hereof to the Lender or Trustee but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity.

6. MISCELLANEOUS PROVISIONS

6.1. **Successors, Assigns, Gender, Number.** The covenants and agreements contained in this Deed or Trust shall bind, and the benefit and advantages under it shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties. Wherever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall be applicable to all genders.

6.2. **Headings.** The headings are inserted only for convenience of reference and in no way define, limit, or describe the scope or intent of this Deed of Trust, or of any particular provision thereof, or the proper construction thereof.

6.3. **Actions on Behalf of the Lender.** Except as otherwise specifically provided herein, whenever any approval, notice, direction, consent, request or other action by the Lender is required or permitted under this Deed of Trust, such action shall be in writing.

6.4. **Terms.** The words "the Lender" means the present Lender, or any future owner or holder, including pledgee of the indebtedness secured hereby.

6.5. **Obligations of Borrower.** If more than one person has executed this Deed of Trust as "Borrower," the obligations of all such persons hereunder shall be joint and several.

6.6. **Incorporation by References.** The provisions of the MAP security instruments and the documents relating to that program are incorporated by reference as though set out verbatim.

6.7. **Severability.** If any provision of this Deed of Trust shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

6.8. **Indemnification.** Borrower will indemnify and hold the Lender, its officers and agents harmless against any and all losses, claims, demands, penalties and liabilities which the Lender, its officers or agents may sustain or suffer by reason of anything done or omitted in good faith pursuant to or in connection with this Deed of Trust and not assert any claim against the Lender, its officers or agents by reason of any action so taken or omitted. Borrower shall, at Borrower's expense, defend, indemnify, save and hold the Lender, its officers and agents harmless from any and all claims, demands, losses, expenses, damages (general, punitive or otherwise), causes of action (whether legal or equitable in nature) asserted by any person, firm, corporation or other entity arising out of this Deed of Trust and Borrower shall pay the Lender upon demand all claims, judgments, damages, losses or expenses (including reasonable legal expense) incurred by the Lender as a result of any legal action arising out of this Deed of Trust.

6.9. **Notice.** Except for any notice required under applicable law to be given in another manner (a) any notice to Borrower provided for in this Deed of Trust shall be given by mailing such notice by certified mail directed to the Property Address or any other address Borrower designates by notice to Lender as provided herein; and, (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's mailing address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Deed of Trust shall deem to have been given to Borrower or Lender when given in the manner designated herein.

6.10. **Beneficiary Statement.** Lender may collect a fee for furnishing the beneficiary statement in an amount not to exceed the amount as provided by Section 2943 of the Civil Code of California.

6.11. **Use of Property.** Borrower shall not permit or suffer the use of any of the Property for any purpose other than as a single family residential dwelling.

IN WITNESS WHEREOF, Borrower has executed this Deed of Trust on the day and year first set forth above. By signing below, Borrower agrees to the terms and conditions as set forth above.

BORROWERS: ____________________

____
Borrower:

____
Borrower:

Mailing Address for Notices:

____

____

ATTACHMENT NO. 1

LEGAL DESCRIPTION OF LAND

EXHIBIT "D"

MAP FIRST-TIME HOMEBUYER
PROGRAM DISCLOSURE STATEMENT

I/we ____________ **[Vesting Information]** ("Borrower") understand and agree that the provision of financial assistance from the County of Orange ("County") under County's Mortgage Assistance Program(("MAP" or " the Program") is conditional on a number of factors, including, but not limited to:

- I/we must find a eligible unit purchase within the eligible locations in County of Orange pursuant to the County's MAP Guidelines.
- I/we must qualify for a home loan from an institutional lender acceptable to County.
- I/we must pay at least one percent (1%) of the home purchase price from my/our own funds.
- I/we must qualify for assistance under the guidelines of the Program.

I/We further understand and agree that:

- I/we will be responsible for repaying the amount of the Promissory Note. The Promissory Note will bear three percent (3%) simple interest.
- The Promissory Note, including any and all accrued interest due thereunder, will become due and payable upon sale or transfer of the Property, refinance of any liens or mortgages on the Property, or if I/we no longer occupy the Property as my/our principal residence or are in default of any obligation under the Note and Deed of Trust.
- The Promissory Note will be due and payable on the Maturity Date thereof, which is the thirtieth (30th) anniversary of my/our acquisition of the Property, unless we have defaulted under the Promissory Note before that time. When the Promissory Note is repaid, there shall be no further obligations under the Promissory Note and the Deed of Trust will be reconveyed.
- I/we have a right to cancel or rescind this County Loan at any time prior to midnight on the third business day after the Agreement is signed by sending a notice of my/our decision to rescind or cancel the County Loan to:

OC Community Resources/
OC Housing & Community
Development
1501 E. St. Andrew Place,
First Floor
Santa Ana, CA 92705
Attn: Director

- During the thirty (30) year term of the County Loan, I/we intend to continuously occupy the Property as my/our primary residence.

- County shall not be held responsible for any costs associated with the home I/we purchase with such assistance including, but not limited to, any loan fees or charges, any charges for appraisals, or any escrow costs or other costs relating to the transfer of the Property, except to the extent paid with County Loan proceeds.

- County cannot ensure that information provided by or on my/our behalf will be kept confidential.

- County shall not be responsible for the selection of a home, the selection of a lender providing funds assisting in the purchase of the home, providing information concerning other public or private sources of loans, or the competitiveness of the terms of the Program. I/we assume all responsibility for determining whether I/we will inform myself/ourselves as to the availability and terms of other public or private loans.

- County shall not be charged with the knowledge of the contents of the documents of my/our primary lender.

- The County financial assistance I/we receive under this Program may be considered to be income for purposes of federal or state income taxes and County shall not be held responsible for the payment of any taxes which I/we may incur by virtue of the receipt of such financial assistance.

BORROWER

By: ____
Printed Name: _________________________________

By: ____
Printed Name: _________________________________

EXHIBIT "E"

BUYER DISCLOSURE
Regulation Z

Creditor: **COUNTY OF ORANGE**
OC Community Resources/OC Community Development
1501 E. St. Andrew Place, First Floor
Santa Ana, CA 92705
Attn: Director

Borrower: ________________________________

Itemization of Amount Financed: You have the right to receive at this time an itemization of the Amount Financed.

[ ] I want an itemization. [ ] I do not want an itemization.

CREDITOR'S TRUTH-IN-LENDING TO CONSUMERS (FEDERAL DISCLOSURE BOX)

ANNUAL PERCENTAGE RATE*	**FINANCE CHARGE**	**AMOUNT FINANCED**	**TOTAL OF PAYMENTS**
The cost of my credit as a yearly rate.	The dollar amount my credit will cost me.	The amount of credit provided to me or on my behalf.	The amount I will have paid after I have made all payments as scheduled.
3% simple interest	**$XX.00**	**$XXXXX**	**$XXXXX****

* **THE ANNUAL PERCENTAGE RATE** disclosed above is a fixed rate for the life of your loan which applies if you do not prepay your loan. If you prepay or refinance your loan, if you fail to occupy the real property securing the loan as your principal residence, or if you sell or transfer the real property securing your loan in violation of Section 5 of the County MAP Promissory Note Loan No. _______________________________________ dated _ ______("Note") and Section 4.11 of the County of Orange Mortgage Assistance Program Deed of Trust Loan No ___dated as of ______________________("Deed of Trust"), the full amount of the loan, together with any and all accrued interest will be due. Please see loan documentation for specific details.

** Due on sale, transfer, refinance, default, or the Maturity Date.

Your Payment Schedule Will Be:

Number of Payments	**Amount of Payments**	**When Payments are Due**
One (1)	**$XXXXXXX** (Loan Amount, plus 3% interest)	Due on (i) sale, (ii) transfer, (iii) refinance of the County Loan or which increases the amount of any other encumbrance against the Property, (iv) you no longer occupy the Property as your principal residence in violation of Section 5 of the Note and Section 4.11 of the Deed of Trust or you are in default under the Promissory Note or the Deed of Trust, or (v) the Maturity Date.

Property Insurance: You must obtain property insurance in an amount equal to the full replacement value of the structures on the Property and name the County of Orange, a political subdivision of the State of California, as a loss payee.

Security: You are giving a security interest in the real property you own which is located at ________________________________.

Amount of County Loan: **$XXXXX.00**

Term of County Loan: Thirty (30) years; due on sale, transfer, refinance, default, or the Maturity Date.

Filing Fees: $ 0 Non-Filing Insurance: $ 0

Prepayment: If you pay off early, you

[X] may [ ] may not have to pay principal and accrued simple interest.

Interest Rate: The County Loan has a base interest rate that is:

[X] fixed at three percent 3% per year

[ ] variable. Disclosures about the variable-rate feature were previously provided to you.

Assumption: Someone buying your house

[ ] may, subject to conditions, be allowed to assume the remainder of the mortgage on the original terms.

[X] cannot assume the remainder of the Promissory Note.

Demand Feature: These obligations

[ ] have a demand feature

[X] have no demand feature

See your loan documents for any additional information about the terms for the provision of the County Loan, and default requirements and any required repayment in full before the scheduled date.

ITEMIZATION OF THE AMOUNT FINANCED OF **$XXXXX.00**

$0.00	Amount given to you directly
$XXXXXX.00	Amount paid on your behalf into your escrow for the purchase of the Property located at ________________________________

Amount paid to others on your behalf:

$[XXXXX].00	to escrow
$___0___	to (name of another creditor)
$___0___	to (other)
$___0___	prepaid finance charge

I have carefully reviewed this Regulation Z Buyer Disclosure, consisting of 3 pages.

Dated: ______________ ____

Dated: ______________ ____

EXHIBIT "F"

Recording Requested By and
When Recorded Mail To:
County of Orange
OC Community Resources/
OC Housing & Community
Development
1501 E. St. Andrew Place, First Floor
Santa Ana, CA 92705

(Space above this line for Recorder's Use Only)

This document is exempt from the payment of a recording fee pursuant to Government Code Sections 6103 and 27383.

Request for Notice of Default or Sale Under Civil Code Section 2924b

In accordance with Section 2924b of the Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under the Deed of Trust recorded as Instrument No. ____________________ on ____________, 20___, in Book __, Page ________, Official Records of Orange County, California, and describing land therein as

[See Attachment No. 1 attached hereto]

executed by ____________________ [Vesting Information], collectively, as Trustor, in which the __________________, is named as Beneficiary, and ________________ is named as Trustee, be mailed to COUNTY OF ORANGE, at 1501 E. St. Andrew Place, First Floor, Santa Ana, California 92705, Attention: Director

NOTICE: A COPY OF ANY NOTICE OF DEFAULT AND OF ANY NOTICE OF SALE WILL BE SENT ONLY TO THE ADDRESS CONTAINED IN THIS RECORDED REQUEST. IF YOUR ADDRESS CHANGES, A NEW REQUEST MUST BE RECORDED.

COUNTY:

COUNTY OF ORANGE, a political subdivision of the state of California

By:________________________________
Julia Bidwell, Director
OC Community Resources,
OC Housing and Community Development
County of Orange

APPROVED AS TO FORM
COUNTY COUNSEL
ORANGE COUNTY, CALIFORNIA

Signed by:
By________________________ Jacqueline Guzman
8452584753D3488...
Deputy

ATTACHMENT NO. 1 TO EXHIBIT "F"

LEGAL DESCRIPTION

Real property in the City of _____________, County of Orange, State of California, described as follows: