MONETARY LIENS
AND
FAIRFAX COUNTY
AFFORDABLE DWELLING UNIT PROGRAM
PURCHASER CERTIFICATE

Department of Housing and Community Development, 3700 Pender Drive, Suite 100, Fairfax, VA 22030-7442

(For NEW UNIT INITIAL SALES to Purchasers on or after February 28, 2006)

Instructions: Purchaser (s) must complete Block 1, read all Blocks, and must affix their signatures(s) and have them notarized. Sellers (s) must complete Blocks 2, 3, and 4, must sign in Block 7 and attach completed Exhibit A.

Prepared by:

_____

_____

_____

When recorded return to:

Chief,
Homeownership/
Relocation

FCRHA
3700
Pender Drive

Fairfax, VA
22030-7442

Tax Map #:

1. A. PURCHASER (and lien GRANTOR for purposes of recording):

Name: _____

Present Address:

_____

_____

B. FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY (lien GRANTEE for purpose of recording)

2. **SELLER**

Name: _____

Address: _____

_____

3. AFFORDABLE DWELLING UNIT ADDRESS

_____

Number Street City State Zip

_____ _____

Name of Subdivision Lot# Section

_____ _____

Date of Purchase Contract Sales Price

4. LEGAL DESCRIPTION OF AFFORDABLE DWELLING UNIT:

Attached as Exhibit A, and incorporated herein.

Tax Map Number: _____

5. Special provisions affecting the Affordable Dwelling Unit home referenced in blocks 3 and 4 above (referred to herein as the home, as the ADU, or as the ADU home) apply. The ADU is purchased though the Fairfax County Redevelopment and Housing Authority (FCRHA) First-Time Homebuyers Program. The First-Time Homebuyers Program incorporates the provisions of Article 2, part 8 of the Fairfax County Zoning Ordinance, as it may be amended from time to time (the ADU Program). I/We have read, understand and agree to comply with the Declaration of Affordable Dwelling Unit Covenants (ADU Covenants) that apply to the ADU home being purchased.

I/We understand that the ADU Covenants recorded in the land records that applies to the ADU home identified above <u>and</u> the provisions of the ADU Program require the following, among other things:

a. ***Purchasers to Occupy the ADU as Principal Domicile***: The home must be occupied by the purchaser(s) as their primary residence. The home cannot be rented. Each year I/We must sign, have notarized, and deliver to the Fairfax County Redevelopment and Housing Authority (FCRHA) a Certification of Occupancy on the form provided by the FCRHA.

b. ***Control Periods, Resales and Controlled Resale Prices***: The home may be resold anytime during the control periods. For ADU's first sold or resold on or after February 28, 2006, the sales price control period is for thirty (30) years from the date of sale. When such an ADU home is resold during a control period, a new thirty (30) year sales price control period begins for that ADU home. The amount of the resale price during any control period cannot exceed the original purchase price, plus annual increases in the Consumer Price Index (CPI), as provided for by the ADU Program, during the period the home is owned, except for certain adjustments as generally described in the next sentence. The resale price of a particular home may be adjusted, in accordance with the applicable regulations, for certain types of replacements and improvements made to the home by the owner, such as finishing a basement or adding a deck or bathroom. (The Department of Housing and Community Development should be consulted for details.)

c. ***Resale Process and Purchase Right of the FCRHA***: If I/We offer the home for sale during any sales price control period, it must be offered through the FCRHA and it must first be offered for purchase exclusively to the FCRHA. I/We must provide the FCRHA with written notification sent by certified mail that the ADU is being offered for sale. The FCRHA may elect to purchase the home on certain terms and conditions, as provided for by the ADU Program, for an amount that does not exceed the controlled resale price of the home as established in accordance with the ADU Program. If the FCRHA does not elect to purchase an available ADU, thereafter, for the first sixty (60) days that the individual ADU is offered for resale, the unit shall first be offered exclusively through the FCRHA to persons who meet the FCRHA's First-Time Homebuyers Program criteria and who have been issued a Certificate of Qualification by the FCRHA.

d. ***Sales After the End of the Control Period***, ***Purchase Right of the FCRHA, and Housing Trust Fund Equity Share***: At the first sale that occurs after the end of the

control period, which will occur only in the event an owner has owned the ADU home for an entire 30-year control period, the resale price is no longer controlled and the unit can be sold for market price; however the ADU home must first be offered exclusively for purchase to the FCRHA by written notification sent by registered or certified mail that the ADU is being offered for sale. If the FCRHA decides not to purchase it, the home may be sold to other buyers at market price; however, at closing, one half of the difference between the net sales price paid by the purchaser and the applicable adjusted seller homeowner's purchase price shall be contributed to the Fairfax County Housing Trust Fund to promote housing affordability in Fairfax County, all as more particularly provided for by the ADU Covenants and the ADU Program (the First Market Sale Housing Trust Fund Equity Share).

e. ***ADU Covenants Documents***: The ADU Covenants document has been recorded with the recordation of the subdivision plat or condominium declaration for new developments that applies to all affordable dwelling units in that development. In addition, amended and restated covenants incorporate the then current the terms of the ADU Program may be recorded for an individual ADU at the time of the initial sale of an individual new unit or the resale of an existing ADU unit. The deeds to the ADU units will refer to the applicable ADU covenants and ADU Program provisions, as amended.

f. ***Limits on Secured Financing.*** The amount of indebtedness that I/ We may secure by an interest in the ADU being purchased is limited to an amount not to exceed that ADU's adjusted control price, as provided for by the ADU Program and established by the FCRHA. Any amount of indebtedness in excess of the ADU's adjusted control price is not secured by any interest in the ADU.

g. ***Times for Notice of Default, Right to Cure, and Notice of Foreclosure, and the Addition of Right to Acquire.*** The lender must give a notice of default and notice of foreclosure to the County Executive and the FCRHA with respect to the ADU home. The FCRHA has 90 days to cure the default (Right to Cure) and 90 days to exercise the right to acquire (Right to Acquire) the ADU upon which foreclosure is pending. These notices can run simultaneously. The acquisition of the ADU by the FCRHA can be prior to or at the foreclosure sale. The FCRHA's Right to Acquire the ADU is for a price not to exceed the control price and reasonable and customary costs and expenses (Outstanding First Trust Debt). If the FCRHA elects not to exercise its Right to Acquire, a non-profit organization designated by the County Executive may elect to acquire the ADU being foreclosed upon for a price not to exceed Outstanding First Trust Debt.

h. ***Foreclosure by Eligible Lender.*** Only a foreclosure on an ADU by an Eligible Lender, as defined below, after it has given the Right to Cure and the Right to Acquire noted above will cause the ADU Covenants to be released as to the foreclosed ADU. An Eligible Lender is an institutional lender holding a first priority purchase money deed of trust on an individual ADU or a refinancing of an institutionally financed purchase money deed of trust by an institutional lender provided that such refinancing does not exceed the outstanding principal balance of the existing purchase money first trust indebtedness on the unit at the time of refinancing.

i. ***Sharing of Foreclosure Proceeds.*** If the ADU in foreclosure proceedings is not acquired by the FCRHA, or by the County Executive's designated non-profit organization, and is sold at foreclosure, then one-half (1/2) of the sales proceeds over the amount of the Outstanding First Trust Debt shall be contributed to the Fairfax County Housing Trust Fund to promote housing affordability in Fairfax County, all as more particularly provided for by the ADU Covenants and the ADU Program (the Foreclosure Sale Housing Trust Fund Equity Share).

6. Grant of Liens for Housing Trust Fund Equity Shares: In consideration of the benefits conferred by Fairfax County and the FCRHA through the ADU Program to me/us in connection with the ADU being purchased, I/we acknowledge and agree, intending to be legally bound, that upon becoming the owner of the ADU home, the ADU purchased shall be subject to the rights of Fairfax County and the FCRHA to enforce and receive the First Market Sale Housing Trust Fund Equity Share and the Foreclosure Sale Housing Trust Fund Equity Share, as such terms are defined above and as more particularly provided for by the ADU Covenants and the ADU Program. Further, I/we do hereby grant unconditional and irrevocable, express liens for the amounts of First Market Sale Housing Trust Fund Equity Share and the Foreclosure Sale Housing Trust Fund Equity Share on all property interests that I/we have or shall acquire in the future in the ADU home being purchased to secure the payment in full of the First Market Sale Housing Trust Fund Equity Share and the Foreclosure Sale Housing Trust Fund Equity Share, as and when either of them shall become due for payment, as set forth in the ADU Covenants and/or the ADU Program. This agreement and grant of express liens is evidenced by my/our signature(s) herein below and by the purchase of the ADU home.

This Monetary Liens and Affordable Dwelling Unit Program Purchaser Certificate, as executed by me/us, will be recorded in the land records of Fairfax County applicable to the ADU home being purchased by me/us.

WITNESS THE FOLLOWING SIGNATURES AND SEALS:

_____	_____	_____	_____
Purchaser's Signature	**Date**	**Co-Purchaser's Signature**	**Date**

Print Name: _____ Print Name: _____

STATE OF Virginia

CITY/COUNTY OF Fairfax: to-wit:

The foregoing instrument was acknowledged before me, a notary public in and for the state and city/county aforesaid, this of _____day of _____ 20____, by_____

_____
Notary Public

My Commission Expires: _____

STATE OF Virginia

CITY/COUNTY OF Fairfax: to-wit:

The foregoing instrument was acknowledged before me, a notary public in and for the state and city/county aforesaid, this _____ day of _____, 20 ___, by _____

_____
Notary Public

My Commission Expires: _____

7. I/We the undersigned as the Seller(s) of the ADU referenced in Blocks 3 and 4 above certify that to the best of our knowledge the Purchaser(s) meet the qualifications and are certified as First-Time Homebuyers by FCRHA and are income eligible to purchase the ADU. We further certify that the sales price in block 3 is the sales price for the ADU approved under the ADU program guidelines.

Seller/Owner Signature	**Date**	**Co-Owner Signature**	**Date**

Exhibit A
Legal Description