



APPLICATION ADDENDUM

Enforcement Mortgage

An Enforcement Mortgage is a legal document outlining the terms and conditions approved by both the land bank and the buyer outlining the financing and work to be completed within one year of the purchase. These terms and conditions are binding and inability to complete this work may result in the return of the property to the land bank.

The Land Bank executes an Enforcement Mortgage Agreement (Agreement) that sets the Land Bank's lien terms, or enforcement mortgage. As part of this Agreement, the buyer agrees to improve, develop and/or repair the property in accordance with a redevelopment plan, which addresses the scope of the renovations needed. Once the required renovations or improvements are complete, Land Bank officials discharge the mortgage and the property is considered to be back in productive use.

The buyer agrees to complete any agreed-upon work on the property within one year from the closing sale date (completion date). On or before the completion date, the buyer must provide the Land Bank with a certificate of adequacy from the respective local government's Code Enforcement Office showing that the property meets code requirements. The Land Bank officials then inspect the property to determine if the buyer has met the terms of the Agreement and completed the redevelopment plan. If the agreed-upon improvements have been made, the Land Bank issues to the buyer a certificate of substantial compliance and a mortgage discharge document.

The procedures outlined in the Enforcement Agreement are critical to effectively monitor compliance with the Agreements and helps to secure the buyers' completion of their redevelopment plans and help the Land Bank meet its mission to eliminate vacant and abandoned properties, lessen the burdens they pose to local governments, and improve quality of life for surrounding residents and grow the local property tax base.

ENFORCEMENT PROCESS:

DEVELOPMENT NOTE AND MORTGAGE AGREEMENT

1. Property Closing: Buyer is given a closing folder with resources and an outline of the process moving forward. An inspection date 90 days from closing is scheduled.
2. 30 Days After Closing: Buyers are required to submit copies of permits, any taxes paid if the warrant has closed, and copies of any builder or hazard insurance policies obtained.
3. 90-Day Inspection: In-person inspection completed by 2 Land Bank staff members.
4. 120-Day Office Follow Up: Staff will follow up with buyers via email and phone.
5. 210-Day Inspection: If the rehab is on schedule for completion, another follow-up will occur 90 days later. If the project will need an extension, the buyer will be encouraged to submit the extension request form prior to the next check-in/inspection date.



6. 300-Day Check-in and/or Inspection: If an extension request was filed, the request will be reviewed at the next Enforcement Committee meeting for a determination. If the project was on schedule for completion, a check-in and/or inspection will be scheduled.

7. Discharge: ROPs and/or COs must be received by the office prior to the project completion date. Once obtained, 2 Land Bank staff members will conduct a final inspection and contact the Land Bank's legal team to prepare the discharge documents.

BY ENTERING YOUR NAME(S) BELOW, YOU CERTIFY THAT YOU HAVE READ, UNDERSTAND AND AGREE TO BE BOUND BY ALL TERMS OF THIS ENTIRE

APPLICATION, INCLUDING THE ADDITIONAL TERMS DISCLOSED IN THE ABOVE SECTION. YOU FURTHER CERTIFY THAT ALL OF THE STATEMENTS SET FORTH IN THIS APPLICATION ARE COMPLETE AND TRUE.

Sign name here X _____ Date X _____

Print name here X _____

Sign name here X _____ Date X _____

Print name here X _____

Sign name here X _____ Date X _____

Print name here X _____

Sign name here X _____ Date X _____

Print name here X _____