

Georgia Department of Community Affairs
Community HOME Investment Program
GRANT AGREEMENT

This Georgia Department of Community Affairs Community HOME Investment Grant Agreement ("Agreement") is made and entered into as of this _____ day of _____, by and between «name» ("Grantee") whose mailing address is «address», «city,_state,_zip» and State Recipient or Sub-recipient of _____ (the "Program Participant") whose principal office or mailing address is _____ and the Georgia Housing and Finance Authority (the "GHFA") whose principal office is located at 60 Executive Park South, N.E., Atlanta, Georgia 30329.

WHEREAS, the Georgia Department of Community Affairs (the DCA") administers, among other programs for the benefit of the public, the Community HOME Investment Program (CHIP) on behalf of the GHFA; and,

WHEREAS, GHFA has entered into a Community Affairs Community HOME Investment Grant Agreement ("Funding Agreement") with Program Participant dated _____; and,

WHEREAS, the Program Participant _____ loaned to the Grantee CHIP funds in the amount of «chip_dollars» (the "Loan") to finance the <<rehabilitation/provision of down payment assistance>> of Grantee's home located at «project_address» (the "Property") pursuant to the Loan Agreement dated «closing_date» _____, 20__ ("Loan Agreement"); and,

WHEREAS, the Loan is evidenced by that certain Promissory Note dated «closing_date» _____, 20__ in the principal amount of «chip dollars» made by the Grantee and payable to the order of _____ and is secured by Deed to Secure Debt, dated «closing_date» _____, 20__ executed by the Grantee in favor of _____ conveying security title to the property described therein (the "Property"). (The Note, the Security Deed, the Loan Agreement, Assignment and any other documents evidencing or securing the Loan to which the Grantee is a party are hereinafter collectively referred to as the "Loan Documents"); and,

WHEREAS, GHFA desires to grant CHIP funds to Grantee in the amount of _____, for this Project (the "Grant") for this Project to pay the Program Participant for costs associated with certain project delivery costs;

NOW, THEREFORE, the parties hereto, for and in consideration of their mutual promises, covenants and agreements herein contained, do hereby mutually covenant, agree, consent and warrant as follows:

1. Use of Grant Proceeds. Grantee agrees to use the Grant proceeds to pay for eligible project delivery costs of the program and, in the case of a homeowner rehabilitation activity, to pay for eligible costs to address lead-based paint per the requirements of the program. Such costs

are specified in the Costs Schedule, attached hereto as Exhibit A and incorporated herein by this reference.

2. Disbursement of Grant Proceeds. Grantee must make certain that all applicable parts of the CHIP Drawdown Request Form attached hereto as Exhibit B, are completed and that the Program Participant and the Grantee have executed the same. The CHIP Drawdown Request Form must include: (i) all required documentation and (ii) Program Participant has incurred all costs set forth in the Costs Schedule. DCA shall disburse the Grant proceeds to the Program Participant on behalf of the Grantee as payment for the costs specified in the Costs Schedule, as may be amended and approved in writing by DCA.
3. DCA Disbursement. DCA will disburse the Grant proceeds, on behalf of the Grantee, to the Program Participant.
4. Funding Agreement. Program Participant warrants and represents that it is not in default under any of the terms of the Funding Agreement. Program Participant shall comply with all of the regulations governing CHIP as set forth in the Funding Agreement.
5. Improper Use of Grant Proceeds. DCA shall have the right to require repayment of the Grant proceeds by the Program Participant pursuant to Article 5 of the Agreement in the event that the Grant proceeds are not used solely for the costs set forth in the Project Delivery Costs Schedule, as may be amended and approved in writing by DCA.
6. Loan Documents. Grantee shall comply with all of the regulations governing the CHIP as set forth in the Loan Documents.
7. Entire Agreement. This Grant Agreement constitutes the entire agreement among and between the parties. There are no representations, oral or otherwise, other than those expressly set forth herein. No modification of this Grant Agreement shall be binding unless both parties have executed a written amendment to this Grant Agreement.
8. Invalid Provisions. In the event that any part or portion of this Grant Agreement is, for any reason, set aside or found to be unlawful, those lawful parts or portions remaining shall continue in full force and effect.
9. Governing Law/Judicial Interpretation. Except to the extent superseded by federal law, the parties expressly agree that the laws of the State of Georgia shall control in all instances involving the interpretation and validity of this Grant Agreement. Should any provision of this Grant Agreement require judicial interpretation, the parties hereby agree that the court interpreting or construing the same shall not apply a presumption that the terms hereof shall be more strictly construed against one party by reason of the rule of construction that a document is to be construed more strictly against the party who itself or through its agent prepared the same. The parties hereby agree that the agents of each have participated in the preparation hereof.

10. Further Actions. Each party agrees to perform any and all further acts and to execute and deliver any and all additional documents which may be reasonably necessary to carry out the terms of this Grant Agreement.
11. Effective Date. This Grant Agreement shall be effective on the date as set forth in the first paragraph.
12. No Agency or Partnership or Joint Venture. DCA is not an agent or representative of Grantee and Grantee is not an agent or representative of DCA. DCA is not an agent or representative of Program Participant and Program Participant is not an agent or representative of DCA. Program Participant shall be solely responsible for procuring and providing all personnel, facilities and services necessary to perform any and all obligations under this Grant Agreement, or the CHIP Regulations. Nothing herein nor the acts of the parties hereto shall be construed to create a partnership or joint venture between DCA, the Program Participant and/or Grantee.
13. No Waiver. No failure or delay on the part of DCA to exercise any right, power or privilege hereunder shall operate as a waiver of any such right, power or privilege hereunder. No failure or delay on the part of DCA to exercise any single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise of any right, power or privilege hereunder.
14. Time of the Essence. Time is of the essence of this Grant Agreement.

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{Signatures on following page}

IN WITNESS WHEREOF, the parties have executed this instrument as of the day and year indicated below.

Executed this _____ day of _____, 20____ by:

Executed this _____ day of _____, 20____ by:

Grantee: <name>

Program Participant:

Signature of Grantee

Signature of Grantee

By: _____

Name: _____

Title: _____

Attest: _____

Attest: _____

Name: _____

Name: _____

Title: _____

Title: _____

{Seal}

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EXHIBIT A – COSTS SCHEDULE

Georgia Department of Community Affairs
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EXHIBIT B – CHIP DRAWDOWN REQUEST FORM