

#12

**AMENDMENT TO HEALTHY HOMES REHABILITATION
PROGRAM AGREEMENT (CONTRACT #20220204)**

AGREEMENT, made the 18th day of August, 2021 by and between **Diane Orson fka Diane Greco** with an address of 158 Feeding Hills Road, Southwick, MA 01077 (hereinafter referred to as the "Borrower") and the **City of Springfield**, through its Office of Disaster Recovery, with the approval of its Mayor (hereinafter referred to as the "City") regarding the rehabilitation of the property at **51-53 Windsor Street, Springfield, Massachusetts**.

WHEREAS, the City and the Borrower wish to amend the rehabilitation amount within the existing Agreement;

NOW, THEREFORE, the parties hereto agree that their Agreement dated August 18, 2021 shall be amended as follows:

1. **Increasing the original contract amount of \$40,714.02 (Forty Thousand Seven Hundred Fourteen 02/100 Dollars) as identified in the original agreement as Exhibit A – Project Budget, to an amended total of \$51,268.73 (Fifty One Thousand Two Hundred Sixty Eight 73/100 Dollars) as identified in this amended agreement as Exhibit A – Final Project Budget.**
2. **All other terms and conditions remain the same.**

IN WITNESS WHEREOF, the Borrower and the City have executed this Amendment on this 17 day of March, 2022.

BORROWERS:



Diane Orson fka Diane Greco

CITY OF SPRINGFIELD



Office of Disaster Recovery


26451815-530105-64516 \$ (333.00) decr

Approved as to Appropriation:

Approved as to Form:



Office of Comptroller 3-18-22




Law Department 3/23/22

APPROVED:

APPROVED:



Chief Administrative & Financial Officer



Domenic J. Sarno, Mayor

City of Springfield
Healthy Homes Program

Rehabilitation Loan Agreement (Amendment)

List of Exhibits

Healthy Homes Rehabilitation Program Agreement Amendment

Exhibit A – Project Budget

Exhibit B – Mortgage

Exhibit C – Amended Promissory Note

Exhibit A – Final Project Budget

Healthy Homes Rehab Project Budget

Homeowner/Borrower: Diane Orson

Project Address: 51-53 Windsor Street

Project Budget	Amount
Repair/Rehab	\$53,900.26
Lead Abatement	\$0.00
Lead Services	\$0.00
Legal Fees	\$730.00
Final Recording	\$310.00
NAI Plotkin	\$2,025.00
Subtotal	\$56,965.26
Owners 10%	\$5,696.53
Total	\$51,268.73

MORTGAGE

City of Springfield Healthy Homes Rehabilitation Program

THIS MORTGAGE is made as of 8/18/2021, between Diane Orson fka Diane Greco, whose address is 158 Feeding Hills Road, Southwick, MA 01077 ("**Borrower**"), and the **City of Springfield**, a municipal corporation with the address 36 Court Street, Springfield, Massachusetts ("**City**").

WHEREAS, the Borrower and the City entered into a **HEALTHY HOMES REHABILITATION PROGRAM AGREEMENT** dated August 18, 2021 in the sum of \$51,268.73 (the Principal Amount"), together with interest of 0%, (this indebtedness is called the "**Note**", a copy of which is attached to this Mortgage as **Schedule A**); and

WHEREAS, to secure the performance of all the terms, covenants, agreements, conditions and obligations of the Note and this Mortgage, the Borrower wishes to grant to the City its rights, title, and interest in the property located at 51-53 Windsor Street in Springfield, Massachusetts and described on the attached **Schedule B** (the "**Mortgaged Property**").

NOW THEREFORE, in consideration of the loan for the Principal Amount made by the City to the Borrower, the Borrower and the City hereby agree as follows:

1. **Purpose.** This Mortgage and the Note are to secure a loan made by the City to the Borrower for the purpose of making home improvements to the Mortgaged Property, as detailed in the **Work Write-Up Specifications** dated 10/15/2020. The Borrower is responsible for making the improvements, and the City shall only make payment of Principal for such improvements as it inspects and verifies that the improvements have been completed.
2. **Conditions of the Loan.**
 - a. **Due Upon Sale or Transfer.** If the Borrower sells or transfers the Mortgaged Property before the final maturity date, the amount of the loan still owing at the time of sale or transfer will be immediately due and payable to the City.
 - b. **Owner Occupancy.** If the Borrower is an owner-occupant at the time this loan is entered into, the Borrower must continue to live in the Mortgaged Property as his/her principal place of residence during the term of the loan.
 - c. **Rental Unit Affordability.** If the Borrower (including a Borrower who lives in one

unit of a multi-unit property) rents out units in the Mortgaged Property to others, the Borrower must rent all units in the Mortgaged Property to households with income at or below 80% of the area median income¹ during the term of the loan.

3. Terms of the Loan

Loan Type:	Forgivable loan, due upon default or upon sale or transfer of property prior to final maturity
Interest Rate:	0%
Payment Schedule:	No monthly payments
Final Maturity Date:	10 years from date of execution
Forgiveness:	An equal amount of the loan will be forgiven for each year that passes from the date the loan is entered, until the loan is fully forgiven at the final maturity date. (For example, a 10-year loan is forgiven 10% per year.)
Prepayment penalty:	None

- 4. Completion of Agreed-Upon Improvements.** If construction required to meet the Work Write-Up Specifications is discontinued or not carried out with reasonable diligence, the City after due notice to the Borrower is authorized to enforce or carry out existing contracts between the Borrower and other parties to make contracted improvements, to make and enter into additional contracts and incur obligations for the purposes of completing the improvements, and to pay and discharge all debts, obligations and liabilities incurred by reason of any action taken by the City, the cost of which shall be payable from the Borrower to the City on demand and shall be secured by this Mortgage.
- 5. Compliance with Building and Health Codes.** The improvements shall comply with all applicable municipal and state ordinances, laws, regulations, and rules made or promulgated by lawful authority, and upon their completion shall comply therewith and with the rules of the Board of Fire Underwriters having jurisdiction.
- 6. Payment of Property Taxes and Other Charges.** The Borrower will pay when due all taxes, assessments, water & sewer charges, and other governmental charges, fines and impositions, now or hereafter imposed, on the Mortgaged Property and will pay when due every amount of indebtedness secured by any lien on the Mortgaged Property.

¹ The area median income (AMI) for the Springfield Metropolitan Area is established annually by the U.S. Department of Housing and Urban Development. The Springfield Office of Housing will provide the current AMI for the Springfield Metropolitan area upon request.

7. **Maintenance and Repair.** The Borrower shall maintain the Property and shall not allow the property to deteriorate or decrease in value due to its condition. If the Property is damaged, the Borrower shall promptly repair the Property to avoid further deterioration or damage, unless repair or restoration is not economically feasible. The Borrower shall not commit waste or permit others to permit actual, permissive, or constructive waste on the Property.

8. **Property Insurance.**

a. **Maintenance of Insurance.** The Borrower shall keep the Property insured against loss by fire, earthquakes, floods, hazards included within the term "extended coverage," and any other hazards for which the City requires insurance. The insurance amounts (including deductible levels) and periods and the insurance carrier shall be subject to the City's approval. Unless otherwise required by the City, all such insurance shall be effected by Standard Fire and Extended Coverage Insurance policies, in amounts not less than necessary to comply with the coinsurance clause percentage of the value applicable to the location and character of the property to be covered.

All such property insurance shall be in such form and shall have attached loss payable clauses in favor of the City. All such policies and attachments shall be delivered promptly to the City, unless they are required to be delivered to the holder of a lien of a mortgage or similar instrument to which this Mortgage is expressly subject, in which case a certificate of insurance shall be delivered to the City. The Borrower will pay any and all premiums on such insurance promptly when due.

b. **City Rights to Payment for Loss or Damage.** In the event of loss or damage to the mortgaged property, the Borrower will give to the City immediate notice of the event and the City may make and file proof of loss if not made otherwise promptly by or on behalf of the Borrower. Each insurance company issuing any such policy is authorized and directed to make payment under the policy for such loss to the Borrower and the City jointly, unless the amount of loss is payable first to the holder of a lien under a mortgage or similar instrument to which this Mortgage is expressly subject. Insurance proceeds received by the City may be applied, at the City's option, either in reduction of the indebtedness secured by this Mortgage, or to the restoration or repair of the damaged Mortgage Property.

9. **Rights of City as Lender.** If the Borrower fails to carry out the covenants and agreements set forth in this mortgage, the City may do and pay for whatever is necessary to protect the value of and the City's rights in the property, and any amounts so paid shall be added to the Principal amount due to the City hereunder
10. **Inspection.** The City shall have the right to inspect the Mortgaged Property from time to time at any reasonable hour of the day.
11. **Acceleration upon Default.** If any condition of this Mortgage shall be in default, the entire outstanding balance of the Principal Amount shall become immediately due and payable at the option of the City. The City shall be entitled to collect all costs and expenses, including reasonable attorney's fees incurred. If the City exercises its option to require immediate payment of the balance of funds secured by this Mortgage, the City shall give Borrower notice of acceleration. This notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all remaining sums secured by the Mortgage.

The following "events of default" will cause the Note to be immediately due and payable:

- a. The Borrower's nonperformance of any covenant, agreement, term, or condition of this Mortgage or of the Note, after the Borrower has been given due notice by the City of such nonperformance;
 - b. The Borrower's failure to perform any covenant, agreement, term, or condition in any Mortgage or instrument creating a lien upon the Mortgaged Property, which lien shall have priority over the lien of this mortgage;
 - c. The City's discovery that the Borrower failed to disclose in the Borrower's application for funds any fact deemed to be material by the City, or that the Borrower made any misrepresentations in the application or in any agreements entered into between the Borrower and the City (including but not limited to, the Note and this Mortgage);
 - d. The sale, lease or other transfer of any kind or nature of the Mortgaged Property, or any part thereof, without the prior written consent of the City.
12. **No waiver.** No party shall be deemed to have waived any provision of this Mortgage or the exercise of any rights under this Mortgage unless such waiver is made expressly and

in writing. Waiver by any party of a breach or violation of any provision of this Mortgage shall not constitute a waiver of any other subsequent breach or violation.

13. **Surrender after Default.** If the Borrower defaults, and upon demand from the City, the Borrower shall immediately surrender possession of the Mortgaged Property to the City, and the City may enter such property, rent out and collect rent from Mortgaged Property units, and apply rental income to the indebtedness secured by this Mortgage. The City may also dispossess, by usual summary proceedings, any tenant defaulting in the payment of any rent to the City. The Borrower shall cooperate and facilitate any summary process proceedings under this paragraph.

If the Borrower continues to occupy the Mortgaged Property after default and City demand to surrender, such possession shall be as a tenant of the City, and the Borrower shall pay in advance upon demand by the City, a reasonable monthly use and occupancy fee for the premises occupied by the Borrower, and upon the failure of the Borrower to pay such monthly fee, the Borrower may also be disposed by the usual summary proceedings applicable to tenants.

This covenant shall become effective immediately upon the happening of any such default, as determined in the sole discretion of the City, who shall give notice of such determination to the Borrower; and in the case of foreclosure and the appointment of a receiver of the rents, the within covenant shall insure to the benefit of such receiver.

14. **Notice of Change of Ownership.** The Borrower will give immediate notice by certified mail, return-receipt requested, to the City of any conveyance, transfer or change in ownership of such property, or any part thereof.

15. **No Assignment of Rents.**

The Borrower will not assign the rents, if any, in whole or in part, from the mortgaged property, or any part thereof, without the prior written consent of the City.

16. **Notice.** Notice and demand or request shall be made in writing and may be served in person or by mail.

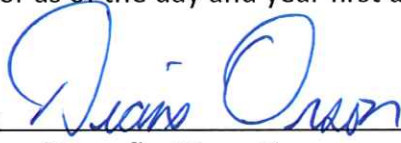
17. **Waiver of Homestead Exemption.** The Borrower hereby waives the benefit of all homestead exemptions, as to the debt secured by this Mortgage and as to any expenditure for insurance, taxes, levies, assessments, dues or charges incurred by the City pursuant to any provision of this Mortgage.


18. **City Right to Nonjudicial Foreclosure.** This Mortgage is upon the **STATUTORY CONDITION**, for any breach of which, or for breach of any of the aforementioned provisions or conditions, the City may declare all sums secured hereby immediately due and payable, and the City shall have the **STATUTORY POWER OF SALE**.

19. **Joint and several liability.** If the Borrower, as defined herein, consists of two or more parties, this Mortgage shall constitute a grant and mortgage by all of them jointly and severally, and they shall be obligated jointly and severally under all the provisions hereof and under the Note.

20. **Discharge.** Upon payment in full by the Borrower of the Note and any other instruments secured by this Mortgage, this Mortgage shall be terminated, and the City shall provide the Borrower the appropriate notice of termination.

IN WITNESS THEREOF this mortgage has been duly signed and sealed by the Borrower on or as of the day and year first above written.


BY: 
Diane Orson fka Diane Greco
Borrower


Witness

Commonwealth of Massachusetts

Hampden, ss, _____

On 3/17/2022, before me, the undersigned notary public, personally appeared, Diane Orson fka Diane Greco proved to me through satisfactory evidence of identification, which was Lic, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

 (Official signature and seal of notary).

Notary Public: Maricely Vega
My Commission Expires: May 06, 2022

The note secured by this Mortgage has:

A principal sum of \$51,268.73

A rate of interest of Zero (0%) percent.

The sum of \$ 51,268.73 with interest thereon at a rate of Zero (0.00%) per annum, is due and payable upon sale, lease or other transfer of any kind of the above-referenced property, or any part thereof without the prior written consent of the City, other than a transfer by will or by operation of the laws of descent and distribution.

SCHEDULE A
PROMISSORY NOTE

Springfield, Massachusetts

Property Address: **51-53 Windsor Street, Springfield, MA 01105**

1. BORROWERS' PROMISE TO PAY

In return for a loan that I have received, I, Diane Orson fka Diane Greco("Borrower"), promise to pay \$51,268.73 (this amount is called "Principal"), without interest, to the **City of Springfield**, a Massachusetts municipal corporation with a usual address of 36 Court Street, Springfield, Massachusetts 01103 ("City").

2. INTEREST

Interest will not be charged on unpaid principal.

3. TIME AND PLACE OF PAYMENTS

No monthly payments are due. If there is no default on the loan, the Principal shall be forgiven at an equal percentage rate per year until it is 100% forgiven at the end of the tenth year.

4. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the City in writing that I am doing so.

I may make a full prepayment or partial prepayments without paying any prepayment charge. The City will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no changes in the due date or in the amount of my payment unless the City agrees in writing to those changes.

6. BORROWER DEFAULT

(A) Default If I am in default of or breach of the Healthy Homes Rehabilitation Program Agreement ("Program Agreement") or the Mortgage, both dated the same date as this Note, and if I do not cure any default or breach within any applicable cure period, then I will be in default of this Note.

(B) Notice of Default If I am in default, the City may send me a written notice telling me that if I do not come into compliance with the Program Agreement and Mortgage by a certain date, the City may require me to pay immediately the full amount of principal I owe.

(C) No Waiver by City Even if, at a time when I am in default, the City does not require me to pay immediately in full as described above, the City will still have the right to do so if I am in default at a later time.

(D) Payment of City's Costs and Expenses If the City has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees, court costs and witness fees, including but not limited to expert witness fees.

7. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or mailing it by first class mail to me at the Property Address above or at a different address if I give the City a notice of my different address.

Any notice that must be given to the City under this Note will be given by mailing it by first class mail to:

Director
City of Springfield Office of Housing
1600 E. Columbus Ave.
Springfield, MA 01103

with a copy simultaneously mailed by first class mail to:

City Solicitor
City of Springfield Law Department
36 Court Street
Springfield, MA 01103

8. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or

endorser of this Note, is also obligated to keep all of the promises made in this Note. The City may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owned under this Note. This Note is binding on me and my executors, administrators, heirs, successors and assigns.

9. WAIVERS

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the City to demand payment of amounts due. "Notice of dishonor" means the right to require the City to give notice to other persons that amounts due have not been paid.

10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the City under this Note, a Mortgage dated the same date as this Note protects the City from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what condition I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

Due Upon Sale or Transfer. If all or any part of the Property or any interest in it is sold or transferred without the City's prior written consent, the City may, at its option, require immediate payment in full of all sums secured by the Mortgage.

Owner Occupancy. If the Borrower is an owner-occupant at the time this loan is entered into, and the Borrower ceases to live in the Mortgaged Property as his/her principal place of residence during the term of the loan, the City may, at its option, require immediate payment in full of all sums secured by the Mortgage.

Rental Unit Affordability. If the Borrower (including a Borrower who lives in one unit of a multi-unit property) rents out units in the Mortgaged Property to others, and the Borrower rents units to households with income above 80% area median income, the City may, at its option, require immediate payment in full of all sums secured by the Mortgage.

If the City exercises its option to require immediate payment of the balance of funds secured by the Mortgage, the City shall give Borrower notice of acceleration. This notice shall provide a

Borrower must pay all remaining sums secured by the Mortgage.

EXECUTED as a sealed instrument as of the date first written above.

Diane Orson
Diane Orson fka Diane Greco

[Signature]
Witness

Witness

COMMONWEALTH OF MASSACHUSETTS

HAMPDEN, SS

On this 17th day of March, 2022, before me, the undersigned Notary Public, personally appeared the above-named Diane Orson fka Diane Greco, proved to me through satisfactory evidence of identification, which was pic, to be the person whose name is signed on the preceding or attached document, and acknowledge that he signed it voluntarily for its stated purpose, and acknowledged to me that he executed the same as his free act and deed.

[Signature]
Notary Public Monicely Vega
My Commission Expires: May 06, 2022.

SCHEDULE B
PROPERTY DESCRIPTION

Property Address: 51-53 Windsor Street, Springfield, MA

A certain parcel of land situated in Springfield, Hampden County, Massachusetts, known and designated as Lot #35 (thirty-five) as shown on a plan of lots recorded in Hampden County Registry of Deeds, Book 446, Page 601, said lot being more particularly bounded and described as follows:

NORTHERLY by Windsor Street, fifty (50) feet;

EASTERLY by Lot #34 (thirty-four) as shown on said plan, ninety-nine and 10/100 (99.10) feet;

SOUTHERLY by Lots #31 (thirty-one) and #30 (thirty) as shown on said plan, fifty (50) feet; and

WESTERLY by Lot #36 (thirty-six) as shown on said plan, ninety-nine and 26/100 (99.26) feet.

BEING the same premises conveyed to the Mortgagor herein by Deed recorded with the Hampden County Registry of Deeds in Book 14878, Page 433.

FINAL AMENDMENT TO PROMISSORY NOTE
(City)

THIS FINAL AMENDMENT TO PROMISSORY NOTE (this "Amendment") is executed as of the 17 day of March, 2022, by and between THE CITY OF SPRINGFIELD, (the "City"), and Diane Orson fka Diane Greco, (the "Borrower").

RECITALS

A. The Borrower executed a Promissory Note, payable to the City, as of August 18, 2021 (the "Note").

B. A change order, agreed upon by the Borrower and the City, will increase the borrowed amount to \$51,268.73

AMENDMENT

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower and the City hereby agree as follows:

1. The August 18, 2021 Promissory Note had an original principal amount of **\$40,714.02 (Forty Thousand Seven Hundred Fourteen 02/100 Dollars)**.

2. Due to the Increased projected new costs, the parties agree to Increase the original principal amount of the Note to **\$51,268.73 (Fifty Thousand Two Hundred Sixty Eight 73/100 Dollars)**.

This Note will continue to be secured by a Mortgage (and amendment) duly filed for record at the Hampden County Registry of Deeds.

3. All other terms and conditions contained in the original Promissory Note dated August 18, 2021 remain unchanged.

IN WITNESS WHEREOF, this First Amendment to Promissory Note has been duly executed by the undersigned as of the date and year first above written.

SIGNATURES APPEAR ON FOLLOWING PAGE

BORROWER:

Diane Orson fka Diane Greco

By:

Diane Orson
Diane Orson fka Diane Greco

CITY:

By:

[Signature]
Domenic J. Sarno – Mayor

COMMONWEALTH OF MASSACHUSETTS

HAMPDEN, SS

On this 17th day of March, 22, before me, the undersigned Notary Public, personally appeared the above-named Diane Orson fka Diane Greco, proved to me through satisfactory evidence of identification, which was Lic., to be the person whose name is signed on the preceding or attached document, and acknowledge that she signed it voluntarily for its stated purpose, and acknowledged to me that she executed the same as her free act and deed.

[Signature]
Notary Public
My Commission Expires: March 26, 2022

COMMONWEALTH OF MASSACHUSETTS

HAMPDEN, SS

On this ___ day of _____, _____, before me, the undersigned Notary Public, personally appeared the above-named Domenic J. Sarno, proved to me through satisfactory evidence of identification, which was personal knowledge, to be the person whose name is signed on the preceding or attached document, and acknowledge that he signed it voluntarily for its stated purpose, and acknowledged to me that he executed the same as his free act and deed.

Notary Public
My Commission Expires: