

**Minnesota Housing Finance Agency  
Disaster Recovery Loan  
NOTE AND MANUFACTURED HOME SECURITY AGREEMENT**

Date: [Closing Date]

**BORROWER(S)**

[Borrower Full Name 1][Before Borrower 2][Borrower Full Name 2][Before Borrower 3][Borrower Full Name 3][Before Borrower 3][Borrower Full Name 4]

**MANUFACTURED HOME**

[Year and Make] [Model] [Vehicle Identification Number]

**LOT ADDRESS FOR MANUFACTURED HOME**

[Property Full Address] in [Property County] County

**LENDER**

[Lender Name] at [Lender Address]

**We, by signing this Agreement, and Lender, by releasing any of the money under the Loan, mutually agree as follows:**

**DEFINITIONS:**

For purposes of this Agreement:

- (i) We/us/our means Borrower and Co-Borrower, if any, whose names are listed above and all other persons who may become responsible for the repayment of the Loan.
- (ii) The Loan means the Loan that Lender will make to Borrower and Co-Borrower whose names are listed above.
- (iii) Agreement means this Note and Manufactured Home Security Agreement.
- (iv) Manufactured Home means the manufactured home that is described above, all additions that are made to the manufactured home, all accessories that are added to the manufactured home, and all parts that are used to repair the manufactured home.
- (v) Lender means that entity referred to above, its successors and assigns, or any subsequent holder of this Agreement.

**LOAN:**

1. We have submitted a loan application to Lender to borrow [Loan Amount] for a 10-year term and will use the money to pay for, in whole or in part, rehabilitation work to be performed on the Manufactured Home or, in the alternative, payment for the acquisition of the Manufactured Home.



2. Lender can refuse to make the Loan to us if anything that we say in this Agreement is not accurate, if any information we have given to Lender is not accurate, or if we fail to do anything that we said we would do in this Agreement.
3. We are making the following statements to Lender so that it will make the Loan to us:
  - A. We are the legal owners of the Manufactured Home;
  - B. We are living in and will continue to live in the Manufactured Home as our principal residence or, in the alternative, we will upon closing of the Loan, live in the Manufactured Home as our principal residence;
  - C. We will keep the Manufactured Home in good condition and will make needed repairs;
  - D. We will keep the Manufactured Home fully insured for hazards for which Lender may require insurance;
  - E. We will allow Lender, and anyone it sends, to look at and inspect the Manufactured Home at any reasonable time during the day;
  - F. We will make all payments that we owe to Lender under this Agreement, repay the Loan when it becomes due, and do everything else that we are supposed to do under this Agreement;
  - G. We have done everything that is required by any lease or other document that creates a security interest in the Manufactured Home or in connection with any insurance payments that we may receive as payment for any damage to the Manufactured Home or because of the complete destruction of the Manufactured Home, and will continue to do everything that is required by those leases and documents;
  - H. We have paid all of the taxes or other payments due for the Manufactured Home that must be made to the State of Minnesota, or any county, city or township, and will continue to pay all of these taxes and payments as they become due;
  - I. We will promptly notify Lender if we move the Manufactured Home from the lot on which it is currently located and will supply Lender with the address of the new location for the Manufactured Home;
  - J. We will promptly notify Lender if we ever fail to do anything that is required by any lease or other document that creates a security interest in the Manufactured Home or in connection with any insurance payments that we may receive as payment for any damage to the Manufactured Home or because of the complete destruction of the Manufactured Home;
  - K. We will promptly notify Lender if we ever fail to pay any tax or other payment for the Manufactured Home that must be made to the State of Minnesota, or any county, city or township;
  - L. The information we have given to Lender is true and accurate and any additional information we give to Lender in the future will also be true and accurate;
  - M. We will give Lender any other information it may need to determine if we continue to qualify for the Loan;
  - N. We will supply and sign any other documents that Lender decides are needed for us to qualify for the Loan;
  - O. We lease or rent the lot on which our Manufactured Home is located;



- P. We have completed and signed the Department of Public Safety's Notification of Assignment, Release or Grant of Secured Interest document in order to grant a security interest to Lender in the Manufactured Home; and
  - Q. The Manufactured Home is located within a disaster affected county.
4. After we have signed this Agreement and all other documents that Lender may request us to sign in order for us to qualify for the Loan, the Lender will hold or disburse the Loan funds to pay, in whole or in part, the agreed upon rehabilitation work that we will have done to the Manufactured Home or, in the alternative, payment for the acquisition of the Manufactured Home.

**REPAYMENT OF THE LOAN AND OTHER AMOUNTS:**

5. The entire Loan becomes immediately due and payable if and when:
- A. We allow any of the money from the Loan to be used for anything other than payment for rehabilitation work that is done on the Manufactured Home or, in the alternative, payment for the acquisition of the Manufactured Home;
  - B. We no longer own the Manufactured Home, no matter why this happens;
  - C. We fail to keep the Manufactured Home in good condition or make needed repairs;
  - D. We fail to keep the Manufactured Home fully insured for hazards for which Lender may require insurance;
  - E. We do not let Lender, or anyone it sends, inspect the Manufactured Home provided the Lender gives prior notice of its intent to enter into and inspect the property at a reasonable time;
  - F. We fail to pay any taxes that are owed on the Manufactured Home or other amounts that must be paid to the government for the Manufactured Home;
  - G. We fail to notify Lender if we move the Manufactured Home from the lot on which it is currently located or fail to supply Lender with the address of the new location for the Manufactured Home;
  - H. We fail to do everything we are required to do under any lease, purchase agreement or other loans for the Manufactured Home unless approved by Lender in writing;
  - I. We fail to do everything we are required to do under this Agreement;
  - J. Anything that we have told Lender in our application for the Loan, in this Agreement, or in any other document that Lender may request us to sign in order for us to qualify for the Loan is not true;
  - K. In the event the manufactured home is sold within the 10-year loan term, voluntarily or involuntarily, the payment amount required shall be the lesser of 100% of the principal amount of this Agreement or the Net Proceeds of the sale of the Manufactured Home. Net Proceeds means the sales price of the manufactured home minus superior loan repayment and any closing costs; or
  - L. We move the Manufactured Home to a location that is not within a county affected by the storms and/or flooding that occurred between June 15 to July 12, 2018 in the areas of Minnesota designated under Presidential Declaration of Major Disaster, 15673 & 15674, as amended.

Absent the occurrence of the events set forth in Section 5, Borrower will have no obligation to repay the Loan after [Maturity Date].

Borrower and Co-Borrower, if any, are advised that such **forgiveness of the Loan may have adverse tax consequences** and, therefore, Borrower and Co-Borrower, if any, may wish to consult an attorney or tax advisor regarding this matter.



6. We can repay all or any part of the Loan at any time without being charged a penalty.
7. Any payments that we make on the Loan will be to Lender at its address shown above, or at such other address, of which Lender may from time to time give me notice in writing.
8. We understand that each of us is separately responsible for the repayment of the Loan.
9. We waive any requirement that Lender provide any of us with notice that the Loan has not been repaid or any formal demand that we repay the Loan.
10. We will pay to Lender all costs that Lender is required to pay in order to create, perfect, maintain and enforce the security interest that we gave to Lender under this Agreement, and know that this amount could include all court costs and attorney fees that Lender may have to pay in order to collect the Loan or to enforce the security interest.

**SECURITY INTEREST:**

11. As collateral for this Loan we are giving to Lender a security interest in:
  - A. The Manufactured Home;
  - B. Any insurance payments that we may receive as payment for any damage to the Manufactured Home or as a result of the complete destruction of the Manufactured Home; and
  - C. Any money that we receive if we sell the Manufactured Home.
12. We are giving Lender this security interest to ensure that we will:
  - A. Repay the Loan when it is due;
  - B. Pay whatever other amounts that we are required to pay to Lender under this Agreement; and
  - C. Do everything that we are required to do under this Agreement.
13. We will supply and sign any other documents that Lender decides are needed to legally create the security interest that we are giving to Lender and to continue the security interest until we have fully repaid the Loan or the Loan is forgiven, which includes the original Certificate of Title for the Manufactured Home.
14. We authorize Lender to file any document that it believes is needed to legally create the security interest that we are giving to Lender and to continue the security interest until we have fully repaid the Loan or the Loan is forgiven.
15. After we have repaid the entire Loan and interest, if any, or if the loan is forgiven, Lender will release the security interest it has in the Manufactured Home.

**MISCELLANEOUS PROVISIONS:**

16. We cannot give or transfer our interest in this Agreement to anyone else unless Lender tells us in writing that we can.
17. Lender can transfer its interest in this Agreement to anyone else or to any other organization it wants without our approval.
18. All changes to this Agreement must be in writing and must be signed by all Borrowers and Lender.
19. A waiver by Lender will not be valid unless it is in writing and signed by Lender, and will only apply to the specific action that is being waived and will not be a continuing waiver unless the waiver specifically states that it is continuing.



20. This Agreement applies to us and to anyone or any other entity to which it is transferred, including our heirs if we die.
21. We will not object or raise as a defense to the repayment of the Loan:
- A. Any reasonable delay that Lender may take in demanding the repayment of or in the collection of the Loan, or in the enforcement of any of the provisions in this Agreement;
  - B. Lender's extension of time to repay the Loan or release of any party liable for the repayment of the Loan; or
  - C. Lender's release of the Manufactured Home as collateral for the repayment of the Loan or acceptance of other items as collateral for the repayment of the Loan.
22. If there is more than one Borrower, Lender is not required to notify all Borrowers of any extension of time to repay the Loan, the release of any person who may be liable for the repayment of the Loan, release of the Manufactured Home as collateral for the repayment of the Loan, or acceptance of other items as collateral for the repayment of the Loan.
23. A delay by Lender in the enforcement of any provision in this Agreement will not prevent Lender from enforcing the provision at some later date.
24. Any notice that must be given to us or to Lender will be given by personally delivering the item to the other party or by certified mail to the following addresses:
- A. Notices to us will be addressed to the Lot Address that is listed in this Agreement or to whatever other address that we give to Lender in writing; and
  - B. Notices to Lender will be addressed to Lender at its address shown above, or at such other address, of which Lender may from time to time give me notice in writing.
25. This Agreement is controlled by the laws of the State of Minnesota.
26. If the Minnesota Housing Finance Agency ("Minnesota Housing") acquires an interest in the Loan, then the following provisions apply:
- A. **Suspension.** By entering into any agreement with Minnesota Housing, accepting any award of funds from Minnesota Housing, or otherwise conducting any business with Minnesota Housing, we represent that we, or any principal of us, has not been suspended from doing business with Minnesota Housing pursuant to the Minnesota Housing Finance Agency Board of Directors Participant Suspension Policy. A principal is defined as: (a) an officer, director, owner, partner, principal investigator, or other person within an organization or entity doing business with Minnesota Housing with management or supervisory responsibilities; or (b) a consultant or other person, who: (1) is in a position to handle Minnesota Housing funds; (2) is in a position to influence or control the use of those funds; or (3) occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to be performed under contract with Minnesota Housing. We will refer to Minnesota Housing's website or contact Minnesota Housing for a list of all suspended individuals and organizations.
  - B. **Fraud Disclosure.** We will report all known or suspected instances of fraud in connection with (i) the making or receipt of the loan contemplated by this document, (ii) the acquisition, construction or rehabilitation of the property pledged as collateral, and (iii) the intended use of the property pledged as collateral to Minnesota Housing's Chief Risk Officer as soon as evidence of fraud is



discovered by us. "Fraud" means an intentional deception made for personal gain or to damage another.

(THE REMAINING PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.)

SAMPLE



28. Borrower acknowledges receipt of a copy of this Agreement.

\_\_\_\_\_  
Borrower's Signature

\_\_\_\_\_  
Borrower's Signature

\_\_\_\_\_  
Borrower's Signature

\_\_\_\_\_  
Borrower's Signature

State of Minnesota }  
County of \_\_\_\_\_ } ss.

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
\_\_\_\_\_, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

Drafted by:  
Minnesota Housing Finance Agency  
400 Wabasha Street North, Suite 400  
St. Paul, Minnesota 55102

**TIL and NMLS ID**

[Lender Name]  
\_\_\_\_\_  
Loan Originator Company Name

[Loan Officer]  
\_\_\_\_\_  
Loan Originator Individual Name  
(as name appears on NMLS)

[Lender Company NMLS ID]  
\_\_\_\_\_  
Loan Originator Company NMLS ID

[Loan Officer NMLS ID]  
\_\_\_\_\_  
Loan Originator Individual NMLS ID  
(if applicable)



**ENDORSEMENT TO MINNESOTA HOUSING FINANCE AGENCY**

Without recourse, pay to the order of the Minnesota Housing Finance Agency.

Lender: [Lender Name]

\_\_\_\_\_  
(Signature of Authorized Lender Representative)

By: \_\_\_\_\_  
(Print Name of Authorized Lender Representative)

Its: \_\_\_\_\_  
(Print Title of Authorized Lender Representative)

SAMPLE

