Manufactured Home Replacement in Parks 7.22.20

## [insert owner’s name (capitalized)] and

**HOUSING TRUST FUND CORPORATION (“HTFC”)**

**NEW YORK STATE HOME PROGRAM**

**SECURITY AGREEMENT FOR**

**Manufactured Housing Replacement (Parks)**

**DATED AS OF [insert date]**

**This instrument affects property situated in the State of New York, County of [insert name of county], [insert name of city/town/village], [insert name of park ], [insert property address].**

**[insert SHARS ID #]**

**RECORD AND RETURN TO:**

**HOUSING TRUST FUND CORPORATION**

**C/O NYS HOME Program**

**38-40 State Street, Albany, NY 12207**

**(Dated)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2020**

This Security Agreement between **(Name(s)) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ residing at (Street and No.) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ in the City of \_\_\_\_\_\_\_\_\_\_\_ , Town of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, County of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,** and State of New York, hereinafter referred to as the “Debtor”, and the New York State Housing Trust Fund Corporation, (“HTFC”), having its principal place of business at 38-40 State Street, Albany, NY 12207, hereinafter referred to as the “Secured Party,” the Debtor, for valuable consideration, receipt whereof is hereby acknowledged, hereby grant to the secured party a security interest in the Collateral as described below, and any and all additions and accessions thereto and substitutions therefore. This security agreement shall be effective from the date the debtor signs this document and shall hereafter continue until all obligations are fully paid or otherwise satisfied, under the terms hereof and of those of the promissory note,

**NOW, THEREFORE,** the Debtor and the Secured Party, intending to be legally bound, hereby agrees, warrants and covenants as follows:

1.  DEFINITIONS. Unless otherwise specified in this Agreement, all terms in this Agreement shall have the same meanings ascribed to them as defined in Chapter 38 of the New York Consolidated Laws, referred to as the New York Uniform Commercial Code, as amended (the “**UCC**”).

2. **Grant of Security Interest.** For value received, and to secure the obligations of this security agreement and those of the promissory note, the debtor, hereby grants to the Secured Party, as secured party, a continuing lien on and a security interest in Collateral as described below to secure the payment and performance of all obligations and all payments made to the debtor according to this agreement and those in the promissory note.

3. As Collateral security for the payment and performance in full of all the secured obligations, for value received, each debtor hereby pledges and grants to the secured party a Lien on and a security interest in and to all of the right, title and interest of such Debtor in, to and under the following goods, manufactured home, or property, wherever located, and whether now existing or hereafter arising or acquired from time to time, and Collateral shall include the mobile or manufactured home, or titled motor vehicle

**[Vin # , location, park name, lot #, size, and any other identifiers] and any replacement thereof. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, and to be or currently located at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_,** and the Collateral subject to this Security Agreement shall also include all cash and non-cash proceeds, and all goods to which the debtor owns and which Collateral is affixed or with which it is commingled to the Collateral, including equipment, and fixtures.

4. The security interest conferred by this agreement is to secure the payment and performance of all obligations under this Security agreement and the promissory note dated **[Month / Day / Year]**, made by the debtor and payable to the secured party, the secured indebtedness in the amount **of \_\_\_\_\_\_\_\_ [number in words] DOLLARS ($ )** whether now existing or hereafter arising, and such renewals, extensions, modifications of such debt, also including costs and expenses and reasonable attorney’s fees, incurred by the secured party for: (a) the disbursement, administration and collection of any and all funds connected with the Loan Agreement; (b) the protection, maintenance and enforcement of the security interest in this Agreement; (c) any and all other obligations of the Debtor; (d) any and all modifications, amendments, renewals or other changes to this Agreement or the Note and (e) all sums evidenced by the promissory note executed to evidence the indebtedness incurred pursuant to this Security Agreement in accordance with the terms of the note and of this Security Agreement.

5. That the debtor will not move the collateral from the said location, without the prior written consent of the secured party. The Debtor hereby agrees to notify the Secured Party and [**ENTER LPA CONTACT**] immediately of any proposed change in the location of the Collateral.

6. Debtor agrees to notify the Secured Party and [**ENTER LPA CONTACT ADDRESS AND INFO**], in writing or via electronic communication, at least sixty (60) business days before any of the following actions: (a) change in the location of the Debtor’s place of business; (b) change in the Debtor’s name; (c) change in the Debtor’s type of business organization; and (d) change in the Debtor’s jurisdiction of organization.

7. Debtor represents that debtor owns or has good and marketable title to the Collateral, and Debtor is the owner of the collateral and has the full legal right and authority to grant this security agreement and security interest in the collateral to the secured party. Debtor represents that no person or company has nor will have any interest in, lien, or encumbrance on, or claim against the security interest or collateral, or any right to sell all of any part of the collateral if debtor fails to pay any debt debtor owes to them, except for the secured party and except as otherwise disclosed to the secured party in writing. Debtor agrees to defend debtor's ownership of the collateral and the rights of the secured party under this security agreement against any claims made by anyone. Debtor represents that the collateral is an owner-occupied residence and will be for the duration of the security agreement and note. Debtor shall submit herewith the certificate of title and whatever forms required to be submitted to the New York State Department of Motor Vehicles for noting the secured party as having a lien on the certificate of title. Debtor shall comply with any reasonable requests to execute documents required or ancillary to the security agreement evidencing the debt.

8. The Debtor warrants and represents that the collateral shall not become attached to the realty, nor any land, nor in any way become a fixture thereof or an appurtenance thereto, unless secured party consents to such in writing. Debtor shall not intend to, nor actually, make the collateral a permanent part of the property. Debtor shall maintain the status of the collateral as a vehicle under New York law.

9. By signing this Security Agreement, debtor hereby gives, assigns, and pledges to secured party a first priority security interest in the Collateral. Debtor agrees and warrants that there are no other existing security interests in the Collateral, that no financing statement covering any of the collateral or any proceeds thereof is on file in any public office, and debtor will not cause any other security interests in the Collateral. The collateral shall be free and clear from any other liens, claims, or encumbrances for the duration of this agreement and the promissory note, unless secured party gives consent in writing. Similarly, debtor warrants that the lease which allows the manufactured home to be placed on the land does not prohibit Debtor from giving the security interest to the debtor.

10. The debtor hereby authorizes and empowers the secured party to file one or more financing statements pursuant to the Uniform Commercial Code in form satisfactory to the secured party at the New York State Department of Motor Vehicles, and the debtor agrees to sign the form required to file the security interest with the New York State Department of Motor Vehicles, or any form of financing statement that shall be required, including but not limited to a financing statement with the New York State Department of State, or any recording officer in New York related to real property records.

11. That the debtor will not sell nor offer to sell nor otherwise transfer the collateral or any interest therein without the written consent of the secured party, which consent shall not be unreasonably withheld, provided that upon any sale or transfer of the collateral, all debts and obligations of the debtor to the secured party shall thereupon immediately become due and payable, and which sale or offer to sell shall be in accordance with the terms and conditions of the promissory note signed by the debtor simultaneously and with this security agreement.

12. That the debtor will have and maintain insurance at all times with respect to all collateral which provides coverage against damage thereto occasioned by fire and other causes (including so—called extended coverage) , with limits of coverage (after making all reductions appropriate under the policy for co­insurance, deductibles and other similar reductions) sufficient to fully insure the secured party against the loss or destruction of the collateral up to the full amount of the obligations existing at any time, with any proceeds from such insurance to be payable to the secured party and the debtor as their interests may appear. The Housing Trust Fund Corporation must also be a loss payee/additional insured. The debtor shall make all proceeds of awards or claims for damages resulting from condemnation or other governmental taking of the manufactured home payable to the secured party in an amount sufficient to cover the unpaid principal balance. If any proceeds are paid to debtor under any insurance policy covering the manufactured home, debtor shall immediately pay to the secured party an amount to cover the unpaid principal balance of the promissory note. If the proceeds of any insurance policy are paid to debtor, debtor will hold them in trust for secured party and promptly deliver them to the secured party. The proceeds will be used to reduce the amount owed to the secured party under the promissory Note and this Security agreement.

13. Giving of notices. Unless applicable law requires a different method, and unless provided otherwise, any notice that must be given under this security agreement or the note to debtor will be delivered by mailing by first class mail at the Manufactured Home above or at a different address if the debtor gives the secured party notice of a different address. Any notice that must be given to the secured party will be delivered by first class mail to the secured party at the address of the secured party given above or at a different address if debtor is given notice of that address.

14. The debtor will keep the collateral free from any additional adverse lien, security interest or encumbrance and in good order and repair and will not waste or destroy the collateral or any part thereof; that debtor will not use the collateral in violation of any statute or ordinance; that the secured party may examine and inspect the collateral on reasonable prior notice.

15. That the debtor will promptly pay when due all applicable taxes and assessments upon the collateral or for its use or operation or upon this agreement or upon any note or notes evidencing the obligations.

16. That at its option, the secured party may discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the collateral. The debtor agrees to reimburse the secured party on demand for any payment made, or any expense incurred by the secured party pursuant to the foregoing authorization and any such payments shall, ipso facto, become a part of the obligation.

17. That upon default the secured party may take possession of the collateral and use it or dispose of it in any lawful manner in accordance with the provisions of the Uniform Commercial Code and not inconsistent with this agreement, and not inconsistent with any policy of insurance thereon.

18. That the debtor shall be in default under this agreement upon the happening of any one of the following events or conditions, in addition to the terms of default under the terms of the Promissory Note:

1. At such time as a debtor effects a transfer of ownership of the collateral, or at such time as no borrower continues to use the collateral as a principal residence, whichever event shall first occur. For purposes of interpreting this paragraph, the following provisions shall apply:
2. A transfer of ownership is deemed to include a deed of conveyance, a bill of sale, a land contract, a lease for in excess of one month, a sublease or subleasing arrangement in excess of one month, a devise by will, or a transfer by operation of law such as pursuant to intestate succession, order of foreclosure or other judicial order, tax sale, or other similar event, of any interest in the collateral owned by a borrower, if said transfer of ownership is to a person not considered a borrower hereunder.
3. If the debtor fails to make any payment or fails to perform any obligations, covenant or liability contained or referred to herein or in the note evidencing the obligation or any part thereof for a period of thirty (30) days.
4. If any warranty, representation, statement made or furnished to the secured party by or on behalf of the debtor proves to have been false in any material respect when made or furnished.
5. Loss, theft, damage, destruction, sale or other encumbrance to or of any of the collateral, or making of any levy, seizure or attachment thereof or thereon.
6. if default shall be made in the payment of any tax, insurance premium or other obligation required to be paid;
7. if any other default exists under the Note or security agreement, or any willful or material misrepresentation by the debtor on the grant assistance documents or to the secured party at any point in applying for grant assistance funds.
8. if the borrower fails to offer the secured party the right of first refusal as described in the note.

Notwithstanding any provision in this Section to the contrary, the Debtor shall have the right to cure any Event of Default defined herein within THIRTY (30) business days of the occurrence of the Event of Default, which shall be determined in the Secured Party’s sole discretion.

19. That upon such default and at any time thereafter the secured party may do any or all of the following: (a) declare all obligations secured hereby immediately due and payable (b) enter the Debtor’s property where the Collateral is located and take possession of the Collateral without demand or legal process; (c) require the Debtor to assemble and make available the Collateral at a specific time and place designated by the Secured Party; (d) sell, lease or otherwise dispose of the Collateral at any public or private sale in accordance with the law; and (e) enforce payment of the Obligations and exercise any rights and remedies available to the Secured Party under law, including, but not limited to, those rights and remedies available to the Secured party under Article 9 of the New York Uniform Commercial Code.All expenses of retaking, holding, preparing for sale, selling or otherwise disposing of the collateral shall include the secured party’s reasonable attorney’s fees and legal expenses, which the debtor shall be liable for in all regards.

20.  SECURED PARTY RIGHTS. Any and all rights of the Secured Party provided by this Agreement are in addition to any and all rights available to the Secured Party by law, and shall be cumulative and may be exercised simultaneously. No delay, omission or failure on the part of the Secured Party to exercise or enforce its rights or remedies, either granted under this Agreement or by law, shall constitute an estoppel or waiver of the Secured Party’s rights. Any and all rights of the Secured Party provided by this Agreement shall inure to the benefit of its successors and assigns. No waiver by the secured party of any default shall operate as a waiver of any other default or of the same default on a future occasion.

21.  SEVERABILITY AND MODIFICATION. If any of the provisions in this Agreement is determined invalid, illegal or unenforceable, such determination shall not affect the validity, legality or enforceability of the other provisions in this Agreement. No modification, amendment or any other change to this Agreement will be effective unless done so in a separate writing signed by the Secured Party.

22.That all rights of the secured party hereunder shall inure to the benefit of the secured party, its successors and assigns, and all obligations of the debtor shall bind the debtors, the debtor’s heirs, executors, administrators and assigns. If there be more than one debtor, their obligations hereunder shall be joint and several.

23. That the secured party may retain the certification of origin, or certificate of title, if any, relating to the collateral, during the term of the security interest created hereby; that the secured party dispose thereof in the event of default in accordance with the provisions of the Uniform Commercial Code; that upon satisfactory compliance with all obligations by the debtor, the secured party shall deliver the same to the debtor.

24. This agreement shall become effective when it is signed by the debtor; the term of the security interest herein created shall be from the date hereof and shall hereafter continue until all obligations are fully paid or otherwise satisfied.

25. Debtor agrees to keep the collateral in good repair. Debtor agrees debtor will not make major alterations to the collateral without obtaining secured party's prior written consent. If the collateral is destroyed or removed, debtor will replace the collateral immediately with others of similar quality and condition.

26. Debtor will pay all maintenance fees, rent, lot rent, additional rent, utility charges, and any special assessments or other charges as required by the manufactured home park, or trailer park, or whatever is required by the owner of the land upon which the collateral sits. Debtor will take all action under the lease or agreement and/or park rules that are necessary for the maintenance and use of the collateral in the park or location where it currently sits. If the debtor does not pay any of these fees, or do not perform the obligations or take any actions necessary to prevent defaults under the lease or agreement to the manufactured park, debtor must provide the secured party written notice of its failure to meet these obligations, and the secured party may take actions necessary to prevent defaults, but is not required to do so. If the secured party does so, debtor will repay the amount of those payments or the cost of those acts (including, but not limited to, reasonable attorneys' fees and costs) when secured party asks for repayment, and the debtor may pay interest on this amount, which the interest due plus repayment of these amounts are secured by this security agreement and may be added to the unpaid principal balance.

27. Debtor agrees to not use the collateral for any unlawful purpose. If debtor receives notice from any governmental authority that the collateral or use and maintenance of the collateral violates any regulations, order, or law, then debtor agrees debtor must correct the violation and comply with the regulation, order or law as required but in no event later than ninety (90) days after the date of such notice.

28. If the debtor has defaulted under this security agreement or the note, secured party may decide the entire amount owed under the note and security agreement is immediately due and payable. The right to accelerate payment does not require the secured party to notify debtor or demand payment from debtor if payment is accelerated, unless provided otherwise by the note or by applicable law.

29. If payment is accelerated, secured party has the right to sell the collateral at public or private sale, with or without advertisement of the terms of sale, which shall occur no less than five days after written notice to debtor. Terms of the sale shall be completely in sole discretion of secured party. Collateral may be sold for cash or on credit. The proceeds from the sale can be used to pay collection and sale expenses, reasonable attorneys' fees, the payments due to the park or the owner of the property which the collateral sits, and to repay what is owed on the unpaid principal balance of the promissory note. If the money received from the sale is not enough to pay off all expenses, debts, the debtor must still pay the difference and the secured party can get a personal judgment against the debtor for this amount. If the sale brings more than the unpaid principal balance and all debts payable on debtor's behalf, then the money left over will be paid to debtor.

30. Use of the proceeds. The debtor agrees to use the money pursuant to the security agreement, note, and grant assistance documents and other requirements by the secured party.

31. If secured party asks, debtor will confirm in a signed statement of the amount owed under the note and this security agreement.

32. This security agreement may be assigned by the secured party and debtor will remain liable to the assignee unless otherwise provided in writing by the secured party.

33. JURISDICTION. This Agreement will be interpreted and construed according to the laws of the State of New York, including, but not limited to, the New York Uniform Commercial Code, without regard to choice-of-law rules in any jurisdiction.

IN WITNESS WHEREOF, the parties hereto have executed this agreement in duplicate original form as of the day first above written.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Debtor)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Debtor)

STATE OF NEW YORK

ss.:

COUNTY OF \_\_\_\_\_\_\_\_\_

On \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, before me, the undersigned, personally appeared\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted: executed the instrument.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public

STATE OF NEW YORK

ss.:

COUNTY OF \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

On \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, before me, the undersigned, personally appeared\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is(are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted: executed the instrument.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Notary Public