

**MassDREAMS Program**  
**GRANT AGREEMENT**

**THIS MASSDREAMS PROGRAM GRANT AGREEMENT** (“Agreement”) is entered into on the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between ([jointly and severally,] “Grantee”), and the Massachusetts Housing Finance Agency (“Grantor”, and together with Grantee, the “Parties”), in the following circumstances:

- A. On behalf of the Commonwealth of Massachusetts through its Department of Housing and Community Development (“DHCD”), Grantor is responsible for disbursing certain Coronavirus State and Local Fiscal Recovery Funds (the “Funds”), which are authorized under Section 9901 of the American Rescue Plan Act of 2021, Public Law 117-2 (“ARPA”) and 2021 Mass. Acts Chapter 102, Sections 1599-2020, through the Massachusetts Delivering Real Equity and Mortgage Stability (DREAMS) Program (the “MassDREAMS Program”).
- B. The MassDREAMS Program supports and expands homeownership opportunities for first-time homebuyers and socially disadvantaged individuals in communities disproportionately impacted by the COVID-19 pandemic. The MassDREAMS Program provides financial assistance to eligible homebuyers in the form of down payment funds (up to the lesser of five percent (5%) of the home purchase price or its appraised value), payment of closing costs, prepayment of mortgage insurance premiums, and interest rate reduction payments. Eligible households earning at or below 100% Area Median Income for the community where they are purchasing may receive up to an aggregate total of \$50,000 under the MassDREAMS Program.
- C. \_\_\_\_\_ (“Lender”) has agreed to make a first mortgage loan (the “First Mortgage Loan”) to Grantee, which shall be evidenced by a promissory note in the amount of the First Mortgage Loan (the “First Note”) and secured by a first priority mortgage recorded at the applicable Registry of Deeds or Land Court (the “First Mortgage”), on certain property located at \_\_\_\_\_, Massachusetts (the “Property”).
- D. Grantee intends to purchase and occupy the Property as their primary residence.
- E. Grantee expects to close on the First Mortgage Loan and record the First Mortgage on \_\_\_\_\_ (the “Closing Date”).
- F. Grantee has applied for financial assistance under the MassDREAMS Program and has been approved by Grantor to receive a total aggregate amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_.\_\_) (the “MassDREAMS Grant”) towards Grantee’s purchase of the Property.
- G. Grantor has agreed to provide the MassDREAMS Grant to Grantee, to be used with other funds including the First Mortgage Loan and other down payment assistance programs, strictly for such purchase.

- H. Grantee agrees and acknowledges that Grantor has relied upon the truth and accuracy of the information contained in Grantee's MassDREAMS Program application and in the documents and information submitted in connection therewith (collectively, the "Financial Information") in agreeing to provide the MassDREAMS Grant to Grantee.

**NOW, THEREFORE**, the Parties hereby agree as follows:

1. Incorporation. The foregoing recitals are made a part of this Agreement as fully and with the same force and effect as repeated herein at length.
2. Representations. Grantee hereby represents to Grantor that:
  - a. Grantee has not previously owned a primary residence in the last three (3) years;
  - b. Grantee completed a Homebuyer Education Course certified by Grantor or CHAPA;
  - c. Grantee satisfies the income and residency eligibility requirements under the MassDREAMS Program as set forth in the MassDREAMS Program Disclosure;
  - d. Grantee intends and agrees to reside at the Property as Grantee's full-time, primary residence;
  - e. The Property is a condominium or 1 to 4 family home;
  - f. Upon the Closing Date, Grantee will take title to the Property; and
  - g. Neither Grantee, nor any member of Grantee's household, is a public employee with official responsibility for, or participating in, the administration or decision-making of the MassDREAMS program.
3. Amount and Disbursement of Grant. Grantee hereby accepts the MassDREAMS Grant to be applied to the purchase of the Property. Grantor agrees to disburse the MassDREAMS Grant to Lender, for the benefit of Grantee, in the total aggregate amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_).
- a. Grantor shall disburse the MassDREAMS Grant proceeds by ACH or wire transfer directly to Lender.
  - b. Grantor shall initiate the ACH or wire transfer of MassDREAMS Grant proceeds to Lender by 5 p.m. Eastern Time on the business day immediately prior to the Closing Date.
4. Recoupment of Funds from Grantee. In the event any Financial Information is proven to have been made falsely in any material respect when given or that Grantee has committed fraudulent activity with respect to the MassDREAMS Program application, the MassDREAMS Grant, or any related MassDREAMS Program activity, Grantor shall have the right to make immediate demand upon Grantee for the recoupment in full of the MassDREAMS Grant. Failure by Grantor to make immediate demand for such recoupment shall not in any way be interpreted as a waiver of such remedy. All MassDREAMS Grant funds received by Grantee hereunder, and any applicable penalties, fees, and/or costs including legal fees, will become due and payable should Grantee be found to be in violation with the terms of and representations made in this Agreement.
5. Assignment of Rights to Unused Proceeds. Grantee acknowledges and understands that the MassDREAMS grant proceeds may be applied by the Lender to pay certain costs upfront on the Closing Date that may otherwise be due over the term of the loan, including, but not limited to,

prepaid mortgage insurance premiums. To the extent any applicable law or regulation may deem such payments as refundable to Grantee, Grantee hereby assigns any and all rights to such unused proceeds to Grantor.

6. Indemnification. Grantee shall indemnify and save harmless Grantor against all loss, damages, liability and costs, including legal expenses for anything and everything whatever arising from, or out of, the negligence of Grantee or failure by Grantee to comply with the covenants, representations, and/or terms and conditions of this Agreement.
7. Amendment. This Agreement shall not be altered or amended except in writing signed by the Parties.
8. Entire Agreement. This Agreement sets forth all (and is intended by the Parties to be an integration of all) of the promises, agreements, and understandings among the Parties with respect to the subject matter hereof.
9. Consultation with Counsel. Grantee has had an opportunity to review this Agreement with counsel of his/her/their choosing and Grantee attests that he/she/they fully understands and knowingly accepts its terms in their entirety and without reservation.
10. Partial Invalidity. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.
11. Choice of Law. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts. In case any one or more of the provisions in this Agreement are invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not be affected thereby.
12. Captions. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of the Agreement.
13. Electronic Signatures. This Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes, shall be binding on the parties and shall have the same force and effect, for all purposes, as an original signature. Without limitation, in addition to electronically produced signatures, "electronic signature" shall include faxed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature.

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**IN WITNESS WHEREOF**, executed as a sealed instrument by the duly authorized representatives of the Grantee and Grantor as of the day and year first written above.

**GRANTOR:**

Massachusetts Housing Finance Agency

By: \_\_\_\_\_

Name: Mounzer Aylouche

Title: Vice President HomeOwnership Programs

**GRANTEE:**

\_\_\_\_\_  
Name:

**[GRANTEE:**

\_\_\_\_\_  
Name: