**ADDENDUM TO THE PURCHASE OPTION**

**(FOR AHFA APPLICATION FOR HOME FUNDS)**

The undersigned, being duly appointed and authorized to enter into this Addendum to the Purchase Option for Application for HOME Funds (this “Addendum”), executes and delivers this Addendum to set forth sufficient evidence of site control to the Alabama Housing Finance Authority (the “Authority”), as required by Section IV.C.5 of the 2025 HOME Action Plan (the “HOME Plan”).

In support of the application, the undersigned acknowledge, agree, represent, warrant and certify to the Authority that the undersigned are parties to one of a duly executed, valid and legally binding purchase option, (as applicable, the “Site Control Document”) as indicated below. Further, the undersigned acknowledge, agree, represent, warrant and certify to the Authority that the Site Control Document meets the requirements as set forth below.

**Site Control Document**:

**Purchase Option**: The undersigned are parties to a purchase option agreement, which purchase option provides, at minimum, a six (6) month purchase option, with an option to extend such option for at least an additional six (6) months. The purchase option does not impose any obligation upon the potential buyer to purchase the property. **The undersigned acknowledge that if the Applicant (as defined in the signature block) is applying for HOME funds, site control must be evidenced by a purchase option (not a sales contract or long-term lease).**

In addition to the foregoing, the undersigned acknowledge that the National Environmental Policy Act (“NEPA”) requires that no “choice-limiting activities” occur relating to the proposed project from the property owner, applicant, or any other party or at the project site from the time the Applicant submits an application to the Authority until the NEPA environmental assessment process is complete. The Site Control Document must comply with all rules and regulations issued by the U.S. Department of Housing and Urban Development (“HUD”), including, without limitation, 24 C.F.R. § 58.22. The undersigned acknowledge, agree, represent, warrant and certify to the Authority that (i) no “choice-limiting activities” shall occur on the proposed project or at the proposed project site during the time period between the delivery to the Authority of the application and the Authority’s written authorization to proceed (the “Prohibited Period”); (ii) the undersigned shall take all actions necessary to ensure that no participant in the development process undertakes or permits any “choice-limiting activities” during the Prohibited Period; and (iii) the Site Control Document adequately provides for such prohibition on “choice-limiting activities” in accordance with the requirements set forth in this Addendum and with the rules and regulations issued by HUD. The undersigned acknowledge and agree that should any “choice-limiting activities” occur at the proposed project or the project site during the Prohibited Period, regardless of whether the undersigned consented to the activity or had knowledge of the occurrence of the activity, the application shall terminate and will not be considered for funding by the Authority.

In the event of any conflict between this Addendum and the Site Control Document, the provisions of this Addendum shall control.

By executing this Addendum, the undersigned hereby acknowledge and agree that the Authority may rely without investigation upon the acknowledgments, agreements, representations, warranties and certifications contained in this Addendum, and undersigned agree to indemnify and protect the Authority in the event that any matter herein provides to be inaccurate, in whole or in part, for any reason, and to execute and/or file such applications or instruments, pay such costs, and take such other actions as the Authority may deem necessary or desirable in order to protect and indemnify the Authority for any and all costs, expenses or losses that may result from any such inaccuracy, including without limitation the Authority’s legal fees and expenses.

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

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| **APPLICANT:**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Project Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | **OWNER:**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  *\*Note: If the Site Control Document is a Warranty Deed, this signature block to remain blank.* |