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After recording, return to:

Atlanta Neighborhood Development Partnership, Inc.

229 Peachtree Street

Suite 705

Atlanta, Georgia 30303

**STATE OF GEORGIA**

**COUNTY OF (County name)**

**ANDP HOMEBUYERS ASSISTANCE**

**DEED TO SECURE DEBT**

**AND ASSIGNMENT OF LEASES, RENTS AND PROFITS**

**THIS DEED TO SECURE DEBT**, dated as of **(date)** by (**name)** residing at **(address)** (hereinafter individually and/or collectively referred to as “Grantor”), and **ATLANTA NEIGHBORHOOD DEVELOPMENT PARTNERSHIP, INC**., a Georgia nonprofit corporation having its principal office and place of business at 229 Peachtree Street, Suite 705, Atlanta, Georgia 30303 (hereinafter referred to as “Grantee”).

**W I T N E S S E T H:**

THAT, Grantor, for the consideration hereinafter set forth, in hand paid at and before the sealing and delivery of these presents, the receipt, adequacy and sufficiency of which are hereby acknowledged by Grantor, has granted, bargained, sold, aliened, conveyed and confirmed, and by these presents does grant, bargain, sell, alien, convey and confirm unto Grantee, all that tract or parcel of land, including all improvements thereon, described as follows:

All of the foregoing lying and being situated in Land Lot \_X\_\_\_ of the \_Xth\_\_ District of \_\_X\_\_\_\_\_\_ County, Georgia, as more particularly described in **Exhibit “A”** attached hereto and incorporated herein by this reference (the “Premises”).

TO HAVE AND TO HOLD the Premises, together with all and singular the rights, members and appurtenances thereto appertaining, to the only proper use, benefit and behoof of Grantee, in fee simple and Grantor hereby covenants that Grantor is lawfully seized and possessed of the Premises, and has a good right to convey it, and it is fully unencumbered; and Grantor shall and will WARRANT AND FOREVER DEFEND the Premises unto Grantee, against Grantor, and against all and every other person or persons.

THIS CONVEYANCE is made under the existing laws of the State of Georgia relating to deeds to secure debt (and not as a mortgage) to secure a debt evidenced by a Promissory Note (the “Note”) dated of even date herewith made by Grantor payable to the order of Grantee, for the original principal sum of **(amount**). The Maturity Date is the earlier of (i) a Prohibited Transfer (as defined in the Note), (ii) a Failure of Residency (as defined in the Note), (iii) any default hereunder or under the First Deed to Secure Debt (as defined in the Note), or (iv) **(date)**.

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If at any time prior to the time that this Deed is cancelled and surrendered, a Principal Payment Event (as defined in the Note) shall have occurred, all principal shall be immediately payable in full. It is agreed that the Grantee shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid with the proceeds of the debt secured hereby.

1. Affirmative Covenants. The Grantor covenants and agrees, so long as any indebtedness secured hereby shall remain unpaid: (i) to keep the Premises and all improvements thereon in good condition, normal wear and tear excepted; (ii) not to demolish, destroy, or remove any permanent structure now existing on the Premises; (iii) to pay all taxes and assessments upon the Premises as they become due; (iv) to keep the improvements on the Premises at all times fully insured against loss by fire and other hazards for one hundred percent (100%) of the full replacement cost of the Premises without deduction for depreciation or for such amounts as may, from time to time, be required by Grantee in amounts, with companies and with a mortgagee clause approved by Grantee and to deliver the policies of insurance and any renewals thereof to the Grantee; (v) to apply proceeds from condemnation, eminent domain or other similar actions and/or insurance to the repair, reconstruction, replacement and/or improvement of the Premises; (vi) should any tax, assessment, special assessment, condominium association fee or assessment, prior lien or premium of insurance not be paid when due by the Grantor, to permit Grantee to make such payment and to add any sum so paid to the amount of secured indebtedness as part thereof to be covered by the security of this Deed; and (vii) to actually and continuously maintain the Premises as Grantor’s principal place of residence such that no Failure of Residency (as defined in the Note) shall have occurred.

Grantor hereby further covenants and agrees that in case of any “Event of Default” (as hereinafter defined) the entire amount of secured indebtedness, together with any and all sums paid for the account of Grantor in accordance with the provisions above set forth, shall, at the option of Grantee, then and thereby become and be due and payable forthwith, and all expenses and costs of collection, including reasonable attorney's fees as actually incurred at standard hourly rates (and the term “reasonable” shall not be interpreted to mean a percentage of principal and interest as provided in Official Code of Georgia § 13‑1‑11), and the amount of such costs, expenses and fees shall be added to the amount of the debt hereby secured as part thereof, and as such shall also be covered by the security of this Deed.

1. Event of Default. Each of the following events shall constitute an Event of Default under this Deed: (i) the failure of Grantor to pay any promissory note securing the First Deed to Secure Debt (as defined in Section 7 hereof) or any part thereof when the same is due and payable or otherwise be in default thereunder; (ii) should any representation or warranty of Grantor contained herein or in any instrument given by Grantor to Grantee with respect to the secured indebtedness prove to be untrue or misleading in any material respect; (iii) the filing of any federal tax lien, execution or claim of lien for labor or material against Grantor or the Premises which is not removed by payment or bond within thirty (30) days from the date of recording; (iv) should Grantor transfer any interest in the Premises (voluntarily, involuntarily, or by operation of law) or sell, lease, option, exchange, refinance (other than to refinance to reduce the rate of interest charged to Grantor under the promissory note secured by the First Deed to Secure Debt or the Note), further encumber, or transfer the Premises or any interest in it (including, without limitation, any possessory or security interest therein), or is divested of the Premises or any interest in it without the prior written consent of Grantee; (v) a default or event of default (declared or undeclared) under the Note, this Deed or the promissory note secured by the First Deed to Secure Debt or any other indebtedness having a security interest (whether legal or equitable) in the Premises or any security instrument related thereto; (vi) Grantor’s failure in the performance of any affirmative covenant, any obligation or condition recited herein, including the occurrence of a Failure of Residency; (vii) if the Grantor makes an assignment for the benefit of creditors, files a petition in bankruptcy, is adjudicated insolvent or bankrupt, petitions for appointment of a receiver or trustee for any substantial part of its property or is the subject of such a petition or commences or has commenced against it or its property (a) any similar proceeding under any bankruptcy law or other debtor-relief or similar law or (b) any sale under any power of sale granted under any security deed initiated against Grantor; or (viii) Grantor's misapplication of: (a) any rents and profits from the Premises received by Grantor that were in existence at or accrued after the time of a default hereunder or under the Note; (b) any insurance proceeds received before the exercise of Grantee's remedies, which proceeds are due to damage, loss, or destruction to the Premises (to the full extent of such proceeds); and (c) any proceeds or awards resulting from the use of the power of condemnation, eminent domain or other similar powers of any governmental or other entity, with respect to all or any part of the Premises (to the full extent of such proceeds or awards), if received before the exercise of Grantee's remedies. Notwithstanding the foregoing, Grantor understands and agrees that any proceeds, awards or other sums received by Grantor as identified in clause (viii) above must, to the extent practicable (in the reasonable judgment of Grantee) be used to repair, reconstruct, replace or improve the Premises and, if not, for the repayment of all amounts owed under this Deed and under the Note.

Without limiting the generality of the foregoing, Grantor acknowledges that Grantor may not and shall not, without the prior written consent of the Grantee to be granted or withheld in Grantee’s sole discretion: (i) voluntarily, involuntarily or by operation of law, sell, transfer, convey, exchange or assign all or any part of the legal or equitable title to the Premises, or any part of, or interest in, the Premises, or lease any portion of the Premises, or any of the personalty located thereon or used or intended to be used in connection therewith and any such sale, transfer, conveyance, or assignment (other than by operation of Grantor’s last will and testament); (ii) transfer, convey or assign the Premises, or any part of, or interest in, the Premises as security for any indebtedness other than for the indebtedness secured hereby or by the First Deed to Secure Debt or as set forth in **Exhibit “B”** attached hereto (“Permitted Encumbrances”); or (iii) cease to actually and continuously occupy the Premises as Grantor’s principal place of residence such that a Failure of Residency has occurred, and each such event shall also be deemed an Event of Default under this Deed and under the Note.

Upon the occurrence of an Event of Default, Grantee may apply for and shall be entitled as a matter of right, without regard to the value of the Premises, or to the solvency or insolvency of Grantor, to the appointment of a receiver to collect the rents and profits of the Premises and with the power to sell said Premises under order of Court and apply the net proceeds of the sale toward the payment of the secured indebtedness.

1. Assignment of Rent. In consideration of the loan made to Grantor by Grantee, and to further secure the indebtedness of Grantor to Grantee hereunder, Grantor hereby sells, assigns and transfers to Grantee all of the rent which shall hereafter become due or be paid on the Premises. Nothing in this Section 3 shall be construed as a waiver of the restrictions set forth in Section 2 above or in the Note.
2. Power of Attorney. In case the secured indebtedness shall not be paid when it becomes due by maturity in due course, or by reason of the occurrence of an Event of Default, Grantor hereby grants to Grantee, the following irrevocable power of attorney: To sell all or any part of the Premises at auction, at the usual place for conducting sales at the court house in County where the Premises or any part thereof is located, to the highest bidder for cash, after advertising the time, terms and place of such sale once a week for four weeks immediately preceding such sale (but without regard to the number of days) in a newspaper published in the County where the Premises or any part thereof lies, or in the paper in which the Sheriff's advertisements from such County are published, all other notice being hereby waived by Grantor, and Grantee (or any person on behalf of Grantee) may bid and purchase at such sale and thereupon execute and deliver to the purchaser or purchasers at such sale a sufficient conveyance of the Premises in fee simple, which conveyance may contain recitals as to the happening of the default upon which the execution of the power of sale herein granted depends, and Grantor hereby constitutes and appoints Grantee the agent and attorney in fact of Grantor to make such recitals, and hereby covenants and agrees that the recitals so made by Grantee shall be binding and conclusive upon Grantor, and that the conveyance to be made by Grantee shall be effectual to bar equity of redemption of Grantor in and to the Premises, and Grantee shall collect the proceeds of such sale, and after reserving therefrom the entire amount of principal due, together with the amount of taxes, assessments and premiums of insurance or other payments theretofore paid by Grantee, together with all costs and expenses of sale and reasonable attorney's fees as actually incurred at standard hourly rates (and the term “reasonable” shall not be interpreted to mean a percentage of principal and interest as provided in Official Code of Georgia § 13‑1‑11), shall pay any excess amounts (if any) to Grantor as provided by law.

The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise and are granted as cumulative to the remedies for collection of said indebtedness provided by law.

1. **Waiver of Grantor’s Rights. BY EXECUTION OF THIS DEED, GRANTOR EXPRESSLY: (A) ACKNOWLEDGES THE RIGHT OF GRANTEE TO ACCELERATE THE INDEBTEDNESS EVIDENCED BY THE NOTE AND ANY OTHER SECURED INDEBTEDNESS AND THE POWER OF ATTORNEY GIVEN HEREIN TO GRANTEE TO SELL THE PREMISES BY NONJUDICIAL FORECLOSURE UPON DEFAULT BY GRANTOR WITHOUT ANY JUDICIAL HEARING AND WITHOUT ANY NOTICE OTHER THAN SUCH NOTICE (IF ANY) AS IS SPECIFICALLY REQUIREDTO BE GIVEN UNDER THE PROVISIONS OF THIS DEED; (B) WAIVES ANY AND ALL RIGHTS WHICH GRANTOR MAY HAVE UNDER THE CONSTITUTION OF THE UNITED STATES OF AMERICA (INCLUDING, WITHOUT LIMITATION, THE FIFTH AND FOURTEENTH AMENDMENTS THEREOF), THE VARIOUS PROVISIONS OF THE CONSTITUTIONS FOR THE SEVERAL STATES, OR BY REASON OF ANY OTHER APPLICABLE LAW (1) TO NOTICE AND TO JUDICIAL HEARING BEFORE THE EXERCISE BY GRANTEE OF ANY RIGHT OR REMEDY HEREIN PROVIDED TO GRANTEE, EXCEPT SUCH NOTICE (IF ANY) AS IS SPECIFICALLY REQUIRED TO BE GIVEN UNDER THE PROVISIONS OF THIS DEED AND (2) CONCERNING THE APPLICATION, RIGHTS OR BENEFITS OF ANY STATUTE OF LIMITATION OR ANY MORATORIUM, REINSTATEMENT, MARSHALLING, FORBEARANCE, APPRAISEMENT, VALUATION, STAY, EXTENSION, HOMESTEAD, EXEMPTION OR REDEMPTION LAWS; (C) ACKNOWLEDGES THAT GRANTOR HAS READ THIS DEED AND ASKED ANY AND ALL QUESTIONS REGARDING THE LEGAL EFFECT OF THIS DEED AND ITS PROVISIONS, AND THOSE QUESTIONS HAVE BEEN FULLY ANSWERED AND THE PROVISIONS OF THIS DEED HAVE BEEN FULLY EXPLAINED TO GRANTOR, AND GRANTOR HAS BEEN AFFORDED AN OPPORTUNITY TO CONSULT WITH AND HAS SO CONSULTED WITH COUNSEL OF GRANTOR'S CHOICE BEFORE EXECUTING THIS DEED; (D) ACKNOWLEDGES THAT ALL WAIVERS OF THE AFORESAID RIGHTS OF GRANTOR HAVE BEEN MADE KNOWINGLY, INTENTIONALLY AND WILLINGLY BY GRANTOR AS PART OF A BARGAINED FOR LOAN TRANSACTION AND THAT THIS DEED IS VALID AND ENFORCEABLE BY GRANTEE AGAINST GRANTOR IN ACCORDANCE WITH ALL THE TERMS AND CONDITIONS HEREOF.**

**\_\_\_ Grantor Initials**

**\_\_\_ Grantee Initials**

1. Dispossession Following Foreclosure. Grantor further covenants that in case of a sale as hereinabove provided, Grantor, or any person in possession under Grantor, shall then become and be tenants at sufferance and shall forthwith deliver possession to the purchaser at such sale, or be summarily dispossessed, in accordance with the provisions of law applicable to tenants holding over.
2. Subordination. In the event that Grantor, with Grantee’s prior written consent, shall have granted to a first priority mortgage lender a lien on the Premises secured by a first priority Deed to Secure Debt, dated as of even date herewith (the “First Deed to Secure Debt”), Grantee and Grantor acknowledge and agree that this Deed shall be subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Deed to Secure Debt, and to all advances heretofore made or which may hereafter be made pursuant to the First Deed to Secure Debt including all sums advanced for the purpose of (i) protecting or further securing the lien of the First Deed to Secure Debt, curing defaults by the Grantor under the First Deed to Secure Debt or for any other purpose expressly permitted by the First Deed to Secure Debt or (ii) constructing, renovating, repairing, furnishing, fixturing or equipping the Premises. The terms and provisions of the First Deed to Secure Debt shall be paramount and controlling, and such terms and provisions supersede any other terms and provisions hereof in conflict therewith. The “First Deed to Secure Debt” shall include any permitted modification or refinancing of the debt secured thereby to reduce the interest rate charged thereunder but in no event to extend the maturity date of such debt beyond the initial maturity date of such obligation or to increase the then principal balance thereof. In the event of a foreclosure or deed in lieu of foreclosure of the First Deed to Secure Debt, any provisions herein or any provisions in any other collateral agreement restricting the use of the Premises to low or moderate income households or otherwise restricting the Grantor’s ability to sell the Premises shall have no effect on subsequent owners or purchasers of the Premises. Any person, including his successors or assigns (other than the Grantor or a related entity of the Grantor), receiving title to the Premises through a foreclosure or a deed in lieu of foreclosure of the First Deed to Secure Debt shall receive title to the Premises free and clear from such restrictions.

In the event that no First Deed to Secure Debt encumbers the Premises on the date this Deed is executed and delivered, this Deed shall at all times be deemed to be the First Deed to Secure Debt for all purposes under this Deed and the Note.

1. Assignability by Grantee. Grantee or its assigns may receive payment of the secured indebtedness and execute a valid cancellation or reconveyance hereof. No release of any part of the Premises or extension of all or any part of the secured indebtedness shall affect the personal liability of any person upon the secured indebtedness, nor the priority of this Deed.
2. Cancellation. Should the secured indebtedness be paid according to the tenor and effect thereof when the same shall become due and payable, and should Grantor perform all covenants, herein contained, then this Deed shall be cancelled and surrendered. It is intended by the parties hereto that this Deed shall operate as a deed to secure debt, and not as a mortgage.
3. Heirs and Assigns. Whenever the terms “Grantor” or “Grantee” are used in this Deed such terms shall be deemed to include the heirs, administrators, executors, successors and assigns of said parties. All title, interest, rights and powers herein granted by Grantor to Grantee including, without limitation, the power of sale herein granted, shall inure to and include Grantee's successors and assigns, and all obligations herein imposed on Grantor shall extend to and include Grantor's heirs, administrators, executors, successors and assigns.
4. No Waiver. Any indulgence by Grantee or departure at any time from any of the provisions hereof, or the secured indebtedness, shall not modify the same or waive future compliance therewith or otherwise limit any right or remedy granted Grantee hereby.
5. Joint and Several Liability. Each party executing this Deed as “Grantor” shall be jointly and severally obligated hereunder.
6. Original Grantor. For all purposes hereof and in the Note, only the original Grantor executing this Deed shall be deemed the “Original Grantor.”
7. Severability. The secured indebtedness includes any renewal or extension of any part or all of said indebtedness; and if any portion of said indebtedness or any provision of this instrument shall be held invalid for any reason, it is the intent of the parties that such portion shall be severable, and such invalidity shall not affect the remainder of said debt or instrument.

**IN WITNESS WHEREOF**, Grantor has caused this Deed to be executed and sealed the day and year first above written.

Signed, sealed and delivered GRANTOR:

as of \_\_\_\_\_\_\_\_\_\_\_, in the presence of:

(SEAL)

Unofficial Witness (name)

Address for Notices:

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

My Commission Expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

(Notary Seal)

Signed, sealed and delivered GRANTOR:

as of \_\_\_\_\_\_\_\_\_\_, in the presence of:

(SEAL)

Unofficial Witness \*[MORTGAGOR 2]\*

Address for Notices:

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

My Commission Expires: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

(Notary Seal)

**EXHIBIT “A”**

Legal Description of Premises

[Insert Legal Description]

**EXHIBIT “B”**

Permitted Encumbrances

[Insert from the Title Work and include First Deed to Secure Debt.]