



Port Hueneme Home Buyer Assistance Program



Equity Share Interest Forgiveness Schedule.

Equity share interest on HBAP loans will be partially reduced for each full year the Borrower continuously resides in the property in compliance with the terms of the HBAP promissory note and without refinancing as follows:

Years of Occupancy	Annual Interest Reduction	Cumulative Interest Reduction
1	11%	11%
2	10%	21%
3	9%	30%
4	8%	38%
5	7%	45%
6	6%	51%
7	5%	56%
8	4%	60%
9	3%	63%
10	2%	65%
11	1%	66%
12	1%	67%
13	1%	68%
14	1%	69%
15	1%	70%
16	1%	71%
17	1%	72%
18	1%	73%
19	1%	74%
20	1%	75%
21	1%	76%
22	1%	77%
23	1%	78%
24	1%	79%
25	1%	80%
26	1%	81%
27	1%	82%
28	1%	83%
29	1%	84%

30	1%	85%
31	1%	86%
32	1%	87%
33	1%	88%
34	1%	89%
35	1%	90%
36	1%	91%
37	1%	92%
38	1%	93%
39	1%	94%
40	1%	95%
41	1%	96%
42	1%	97%
43	1%	98%
44	1%	99%
45	1%	100%

Eligibility for interest forgiveness may be forfeited if:

- Any information provided by the Borrower in support of an application for HBAP assistance is discovered to be false or fraudulent.
- The Borrower fails to continuously occupy the property as a principal residence.
- The property is not maintained in compliance with local laws.
- The property is converted from a single family residential use to another residential or non-residential use.
- The property is occupied by more than two (2) persons per bedroom.
- An occupant or visitor to the property is engaged in drug-related criminal activity or acts of violence.
- The Borrower fails to provide when requested by the City documents and information to verify compliance with the terms of this Note.