

Sewer Lateral Repair / Replacement Loan Program Deed Restriction Instructions

The deed restriction is a requirement Supplemental Environmental Revolving Loan Program created as a result of a settlement between the Town of Hillsborough and San Francisco Baykeeper. It is intended to ensure the owner will repay the loaned funds to the Town prior to or at the time of sale or transfer of ownership of the dwelling. Upon recordation, it becomes a part of the title, informing the escrow agent of the loan against the property.

The deed restriction is intended to be subordinate to any liens already recorded against the property. The restriction will not allow the Town to engage in any kind of foreclosure action to recover loaned funds.

It is the responsibility of the current property owner to fulfill this condition, which requires completing the following steps:

1. Obtain a copy of the current deed, either from the owner's records, or from the County Recorder's Office. Note precisely how the owners' names are printed on the document.
2. Access the deed restriction form (pdf) on the Town of Hillsborough's website.
http://hillsborough.net/depts/pw/sewer/rebate_program.asp
3. Enter the appropriate information in the following fields: (a) site address, (b) loan information supplied by Town (c) property owner(s) as printed on deed. Attach the deed to the back of the two-page form.
4. Sign the document and have it notarized by a notary public. The document must be signed by all owners of the property.
5. Make one photocopy of the complete notarized document. You may wish to make an additional copy for your records.
6. Take the original and photocopy to the County Recorder's Office, which is located at 555 County Center, Redwood City, CA 94063. (650) 363-4713
7. The recording clerk will review the document, stamp "Conformed Copy" on the photocopy and record the original deed restriction. A recording will apply.
8. Send or drop off the "conformed" copy to Town of Hillsborough Public Works, 1600 Floribunda Avenue, Hillsborough, CA 94010.
9. The Town will then release funds for the loan.

DEED RESTRICTION

DECLARATION OF OWNER DEBT TO THE TOWN OF HILLSBOROUGH, CA RELATED TO THE ACCEPTANCE OF A SUPPLEMENTAL ENVIRONMENTAL PROGRAM LOAN

Property Owner(s): _____

Site Address: _____

Whereas, Property Owner is the present owner of certain real property located in the County of San Mateo, State of California, more particularly described in the deed attached hereto and made a part hereof; and

Whereas the Supplemental Environmental Program Revolving Loan Fund was established to provide Town of Hillsborough residents with financial assistance to rehabilitate their sewer lateral(s); and

Whereas, Property Owner and/ or persons acting on behalf of Property Owners intends to borrow funds from the Town of Hillsborough's Supplemental Environmental Program Revolving Loan Fund in the amount of \$_____ (_____); and

Whereas, the Property Owner has agreed to pay a simple interest rate of 3 % (three percent); and

Whereas, the Property Owner has agreed to repay the Town of Hillsborough per the schedule below:

Year	Payment Amount
1	
2	
3	
4	
5	
Total	

Payments will be due on September 1 of each year, beginning in 20____ (Year 1). Payments shall be made payable to:

Town of Hillsborough c/o SEP Coordinator
1600 Floribunda Avenue
Hillsborough, CA, 94010

This instrument is the deed restriction recorded in compliance with the Town of Hillsborough Supplemental Environmental Program Revolving Loan Fund guidelines:

1. Agreement to Comply: The Property Owner hereby accepts the obligation to repay the Town of Hillsborough per the schedule above, provided that at the time of sale or transfer of property ownership, any unpaid balance of the obligation shall become due and payable.
2. This declaration is intended to be a covenant running with the land and shall bind and inure to the benefit of the heirs, personal representatives, successors and assigns of the owner of the real property described herein.

Property Owner declares under penalty of perjury that these restrictions will be adhered to and he (she) (they) has executed this *Declaration of Debt to the Town of Hillsborough, CA Related to the Acceptance of a Supplemental Environmental Program Loan*

Date: _____

Signed by:

Sign as appears on deed

STATE OF CALIFORNIA)
COUNTY OF SAN MATEO)

On, before me, the undersigned Notary Public, personally appeared, who proved to me on the basis of satisfactory evidence to be the person(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 authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct. WITNESS my hand and official seal.

Signed by: _____