

GOVERNMENT OF PUERTO RICO
SAN JUAN, PUERTO RICO

AMENDMENT A
TO THE
MEMORANDUM OF UNDERSTANDING
BETWEEN THE
PUERTO RICO HOUSING FINANCE AUTHORITY
AND THE
PUERTO RICO DEPARTMENT OF HOUSING
FOR THE
REVOLVING ADVANCEMENT RESERVE ACCOUNT



This AMENDMENT A to the MEMORANDUM OF UNDERSTANDING (hereinafter, the "AMENDMENT A") is entered into this 27 day of June, 2022, by and between the PUERTO RICO HOUSING FINANCE AUTHORITY (the "PRHFA"), an instrumentality of the Government of Puerto Rico created under Act No. 103 of August 11, 2001, as amended, 7 LPRA § 924 *et seq.*, known as the "Puerto Rico Housing Financing Authority Act" (the "PRHFA Act"), with principal offices at Calle Aldebarán 638, Urb. Altamira, San Juan, Puerto Rico, herein represented by Blanca P. Fernández González, in her capacity as PRHFA Executive Director, of legal age, single, executive and resident of Guaynabo, Puerto Rico; and the PUERTO RICO DEPARTMENT OF HOUSING (the "PRDOH"), a public agency of the Government of Puerto Rico created under Act No. 97 of June 10, 1972, as amended, 3 LPRA § 441 *et seq.*, known as the "Department of Housing Organic Act" (the "Organic Act"), with principal offices at 606 Barbosa Ave., Juan C. Cordero Dávila Building, San Juan, Puerto Rico, herein represented by William O. Rodríguez Rodríguez, attorney, of legal age, single, and resident of San Juan, Puerto Rico, in his capacity as PRDOH Secretary, collectively the "Parties".

I. RECITALS AND GENERAL INFORMATION

WHEREAS, on July 2, 2020, the Parties executed a Subrecipient Agreement ("SRA"), Contract No. 2021-DR0001, for the Homebuyer Assistance Program ("HBA Program"), ending on July 1, 2023.

WHEREAS, on September 29, 2020, the Parties entered into a Memorandum of Understanding ("MOU") whereby PRHFA established a revolving advancement reserve account ("Reserve Account"), registered as Contract Number 2021-DR0022 (hereinafter, the "Original Agreement").

WHEREAS, the PRHFA has continued strengthening its capacity to manage the assigned CDBG-DR funds and the disbursements related to the HBA Program have increased considerably.

WHEREAS, the PRHFA has identified the need to increase the amount of the Reserve Account to address the HBA Program and PRHFA's operational needs.

WHEREAS, under this Amendment A the Parties acknowledge that the amount and certain terms of the Reserve Account under the MOU may vary, as determined by the PRHFA Executive Director and approved by the PRHFA Board of Directors.

WHEREAS, the Amendment A is not intended to effect nor does it constitute an extinctive novation of the obligations of the parties under the Original Agreement, but is rather a modification and amendment of certain terms and conditions under the Original Agreement.

WHEREAS, the PRHFA, in accordance with the PRHFA Act, has the legal power and authority to enter into this Amendment A.

WHEREAS, the PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, as amended, *supra*, the federal laws and regulations creating and allocating funds to the CDBG-DR Program and the current Action Plan, to enter and perform under this Amendment A.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

II. TERMS & CONDITIONS

1. The PRHFA will set aside a determined amount not less than \$5,000,000.00 of its non-restricted funds (Budget Account No. 030-050928), as determined by the PRHFA Executive Director, to be used as a Reserve Account for the CDBG-DR funds to be disbursed to each approved participant of the HBA Program.

2. The Reserve Account may also be used for the CDBG-DR funds to be disbursed for certain operational needs related to the CDBG-DR assigned to PRHFA, as determined by the PRHFA Executive Director, and in compliance with the provisions of the SRA.

3. This MOU shall be subject to and interpreted in accordance with the laws and regulations of the Government of Puerto Rico, as well as applicable federal laws and regulations.

4. If any clause or condition of this MOU is determined judicially or administratively null and illegal by reason of law or public policy, all other clauses will continue to be valid and in full force.

5. This Amendment A is not intended to affect nor does it constitute an extinctive novation of the obligations of the parties under the Original Agreement but is rather a modification and amendment of certain terms and conditions.

6. No compensation or obligation of the parties may be demanded or enforced until this MOU has been duly filed with the Office of the Comptroller of Puerto Rico pursuant to Act No. 18 enacted on October 30, 1975, as amended. Each party shall provide evidence of their respective filing to the other parties within two (2) business days after such filing.

7. Either Party may terminate this MOU with prior written notice to the other parties by registered mail with acknowledgment of receipt or by courier thirty (30) days in advance of the date of termination. Any written notification must be sent to the following addresses:

PUERTO RICO HOUSING FINANCE
AUTHORITY
Po Box 71361
San Juan, Puerto Rico 00936-4226

PUERTO RICO DEPARTMENT OF
HOUSING
606 Barbosa Ave. Juan C. Cordero Building
Río Piedras, Puerto Rico 00918

IN WITNESS WHEREOF, the parties hereto subscribe this MOU on this 27 day of June, 2022.

PUERTO RICO HOUSING FINANCE
AUTHORITY

PUERTO RICO DEPARTMENT
OF HOUSING

By: Blanca P. Fernández González
Executive Director

By: William O. Rodríguez Rodríguez, Esq.
Secretary of Housing