

(2) during the period that is more than 5 years but less than 15 years from the date of purchase, the [initial] ORIGINAL buyer shall [assign] PAY to the Department **THE LESSER OF** a percentage of the net proceeds of transfer that begins at 20% and declines by 2% for each subsequent year of ownership **OR A 5% ANNUAL RETURN ON THE PROGRAM FUNDS PROVIDED FOR THE UNIT;** and

(3) during the period that is 15 years or more from the date of purchase, the [initial] ORIGINAL buyer is not required to [assign] PAY any portion of the net proceeds of transfer to the Department.

(d) [Of the funds assigned to the Department under subsections (b) and (c) of this section, the] **THE** Department shall distribute to the qualifying local government:

(1) **OF THE FUNDS PAID BY THE ORIGINAL BUYER TO THE DEPARTMENT UNDER SUBSECTION (B) OF THIS SECTION, AN AMOUNT EQUAL TO** the matching funds provided by the qualifying local government for the homeownership workforce housing unit [that generated the net proceeds of transfer]; and

(2) **OF THE FUNDS PAID BY THE ORIGINAL BUYER TO THE DEPARTMENT UNDER SUBSECTION (C) OF THIS SECTION,** a proportionate share [of the net proceeds of transfer] based on the amount of matching funds provided by the qualifying local government for the homeownership workforce housing unit [that generated the net proceeds of transfer].

(e) The Department and the qualifying local governments shall use the funds received under this section to develop workforce housing under the Program.

(f) The contract of sale to the [initial] ORIGINAL buyer shall disclose **ALL THE REQUIREMENTS FOR REPAYMENT TO THE DEPARTMENT UNDER THIS SECTION IN THE EVENT OF A TRANSFER OF TITLE, INCLUDING** the combined amount of Program funds and qualifying local government matching funds [that must be assigned to the Department in the event of a transfer of title].

(g) [The deed to the initial buyer of a homeownership workforce housing unit and a deed to a transferee for no consideration of a homeownership workforce housing unit shall include:

(1) the requirements for repayment set forth in this section; and

(2) a provision creating a lien in favor of the Department against the homeownership workforce housing unit for the amounts due upon sale as set forth in this section.]