

BOARD OF COUNTY COMMISSIONERS
Agenda Request

Date of Meeting: January 5, 2016

Date Submitted: December 16, 2015

To: Honorable Chairperson and Members of the Board

From: Robert M. Presnell, County Administrator
Anita DeSilva, SHIP Administrator

Subject: Approval of Signatures for Special Assessment Liens - State Housing Initiative Partnership Program (**SHIP**)
(Down Payment and Closing Cost Assistance Program)

Statement of Issue:

This agenda item seeks the Board of County Commissioners (BOCC) approval and signatures for the Special Assessment Lien(s) that were agreed upon by the Homeowner, Contractors and the Community Development Administrations **SHIP** Housing Down Payment and Closing Cost Assistance Program for the purchase of their new home.

Background:

In order to protect the interest of the County, the state requires that a lien and contract be placed on the homes that are going to be purchased with the assistance from **SHIP** funds. The special assessment lien was signed and needs to be recorded once the homeowners have been awarded the Deferred Payment Loan to purchase their home. The loan is funded by the **SHIP** program through the State of Florida and does not require repayment. Repayment of the loan, when required, is based upon the prorated principal balance for the term of the loan that has not expired. The Owner and the Gadsden County Community Development Administration's Housing Programs has agreed that the owner shall remain in the house for a full ten-year period at no annual rate of interest and once the ten-year period is completed that the lien would be forgiven and satisfied. The homeowners are required to pay the fees to have the lien recorded at the County Clerk of Courts office and the Gadsden County Community Development office will furnish them a copy of the recorded document. The original will be kept in the Community Development Administration file.

Analysis:

As agreed upon by the Owners and the Gadsden County Community Development Administration's **SHIP** Housing Program, the owners shall remain in the house for a full ten-year period; after the lien has expired it will be forgiven and satisfied.

Fiscal Impact:

None

Options:

1. Approve and Sign the homeowner lien(s) that is being or have been served by the **SHIP** Down Payment and Closing Cost Assistance Housing Programs.
2. Disapprove and not sign the homeowner lien(s) that is being or have been served by the **SHIP** Down Payment and Closing Cost Assistance Housing Programs.
3. Board Direction.

County Administrator's Recommendation:

Option 1.

Attachments:

1. Shawana Moye
550 Rustling Pine Blvd.
Midway, Fl 32343

**GADSDEN COUNTY
SPECIAL ASSESSMENT LIEN
FOR FIRST TIME HOME BUYERS**

THIS AGREEMENT, Made THIS 4th day of December, 2015 by and between SHAWANNA MOYE whose address is 550 Rustling Pines Blvd Midway, Florida 32343 hereinafter referred to as "Owner-Occupant" and Gadsden County through its State Housing Initiative Partnership, hereinafter referred to as "SHIP Program", relates to the real property lying in Gadsden County, Florida described as follows:

**OR 805 P 1054 OR 739 P 395(FINAL JUDGEMENT) OR 651 P 193 OR 623 P 1924 LOT 15 BLK "A"
RUSTLING PINES PER PLAT BK 2 PG 110 THRU 122**

WITNESSETH:

WHEREAS, The Owner-Occupant proposes to finance the cost of the down payment and closing costs on the above described property from the proceeds of a Deferred Payment Loan made, or to be made, available to the Owner-Occupant by the State Housing Initiative Partnership (SHIP). The Loan is funded through the State of Florida Housing Finance Agency; and

WHEREAS, the applicant for a Deferred Payment Loan must be the Owner-Occupant of the structure or must be the Purchaser-Occupant under a validly executed and binding land contract for the above described real property; and

WHEREAS, as long as at least one of the Owner-Occupants who was awarded the Deferred Payment Loan under the SHIP Program remains the Owner-Occupant in the seven (7) year period from the date hereof, the Deferred Payment Loan does not require repayment.

NOW, THEREFORE, IN consideration of the covenants and conditions contained herein and other good and valuable consideration, it is agreed as follows:

1. The principle amount of the Deferred Payment Loan shall not exceed **FIVE THOUSAND THREE HUNDRED DOLLARS and 00/100 (\$5,300.00)** and shall be based upon the final approved, construction contract price (less other funds supplied by the Owner-Occupant, if any).
2. The Deferred Payment Loan principal amount shall be forgiven in an equal amount each month during the Owner-Occupant's ownership and occupancy of the property for the seven (7) year term of the loan. (Fourteen percent (14%) of the principal is forgiven each year). Repayment of the Loan, when required, shall be based upon the prorated principal balance for the unexpired term the Loan.
3. The amount of the Loan as herein provided shall be a special assessment against the property as described herein, and this Agreement, shall constitute a LIEN ON SAID PROPERTY. Said lien shall be satisfied after the Owner-Occupant has completed the full seven (7) year term of this Agreement, or paid to Gadsden County the balance of the Deferred Payment Loan that may become due to the County as a result of the Owner-Occupant's default of the terms of the Agreement.
4. The Owner-Occupant agrees to the following terms in the event of transfer of ownership, loss of residence at subject property, or death of the Owner-Occupant within seven(7) years from the date hereof:

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Loss of ownership by sale, transfer or death, or non-occupancy by the Owner-Occupant, shall constitute a default and will cause the Deferred Payment Loan to become due and payable in a lump sum. However, the County Commission may allow repayment on an annual basis in accordance with the provisions of Paragraph 6 as hereinafter set forth.

It is further provided that, upon death of the Owner-Occupant, the seven (7) year term of this Agreement may be continued and the requirements as herein established may be assumed by the Owner-Occupant's spouse and/or minor lineal descendants. "Minor" is defined as being under eighteen (18) years of age or being under twenty two (22) years of age if a full-time student. **In order to assume this Agreement**, the spouse must be residing in the home as described herein at the time of the Owner-Occupant's death, and the minor lineal descendants must move in the house, and make it their primary residence, or already be residing in the house, upon death of the Owner-Occupant and continue to reside there for the entire time this Agreement is in effect. In addition, the spouse and minor lineal descendants must acquire ownership of the property, and must continue Owner-Occupancy status for the remainder of the term of this Agreement. Otherwise, all requirements of this lien shall remain in full force and effect, including the provisions for default at anytime. **For purposes of this provision, the term "minor lineal descendants" shall include any grandchildren of the Owner-Occupant; and such grandchildren shall be entitled to continue this Agreement as long as they meet the age and residency requirements herein, and comply with all other provisions within.**

5. Upon default, the special assessment levied hereby shall be payable in full to Gadsden County within thirty (30) days after such default occurs; provided, however, that the governing authority, the Gadsden Board of County Commissioners may, by resolution, provide for the payment of any lien in not more than ten (10) equal annual installments from the date of said resolution with interest thereon not exceeding six (6%) per annum, on the unpaid balance. Nevertheless, the Owner-Occupant of the property may pay the full amount of principal then remaining unpaid, plus accrued interest only, at any time. All unpaid sums, penalties and interest shall be and remain a lien on the above described real property in favor of Gadsden County and such lien shall have priority over all other liens and encumbrances whatsoever except any liens for state and local taxes due on the property, and any liens (including mortgages) recorded before the recording of this Agreement. **This special assessment lien will not be subordinated to any other mortgage insured by HUD/FHA under Title II of the National Housing Act of 1934 or its successors, except the original. If default occurs prior to expiration of this lien all remaining funds of the DPL shall become due and payable, this includes refinancing.**

If said lien shall be in default for a period of thirty (30) days, the Gadsden County may enforce the same by a suit in equity according to the provisions of the Florida Statutes or other applicable law, and the Owner shall be responsible for all cost incurred in such proceedings, including a reasonable attorney's fee.

6. The Owner-Occupant agrees to maintain a hazard insurance policy on the property for the full replacement value of the rehabilitated unit. Said property insurance shall be maintained during the entire seven (7) year period which this lien is in effect, and shall list Gadsden County as a mortgagee in the loss-payment provisions thereof as its interest may appear.
7. If at time it is determined by Gadsden County that the Owner-Occupant qualified for and received SHIP Program funds under fraudulent pretenses or statements, or by any other means of misrepresentation, the full amount of Deferred Payment Loan shall immediately become due and payable to Gadsden County by Owner-Occupant.
8. In the event it is determined by Gadsden County that the Owner-Occupant ceases to qualify for a Deferred Payment Loan of the Program at any time, this Agreement shall terminate immediately upon the Owner-Occupant being notified that Owner-Occupant does not qualify to receive the Deferred Payment Loan and shall constitute a default pursuant to paragraph 6.

**GADSDEN COUNTY
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IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year above first written.

Anita D. DeSilva
Witness

Shawanna Moye
Owner-Occupant, SHAWANNA MOYE

Witness

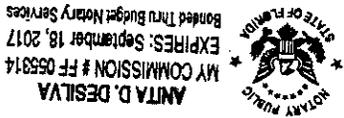
Witness

Owner-Occupant

Witness

STATE OF FLORIDA
County of Gadsden

Sworn to and subscribed before me, the undersigned authority, this 4th day of DECEMBER, 2015 personally appeared SHAWANNA MOYE of 550 RUSTLING PINES BLVD MIDWAY, FLORIDA 32343 who acknowledged before me that He/she freely and voluntary executed this agreement for the purpose therein expressed.



Anita D. DeSilva
Signature of Notary Public-State of Florida

Anita D. DeSilva
Print, Type or Stamp Name of Notary Public

Personally known to me, or
 Produced Identification: VALID FLORIDA DRIVERS LICENSE
Type of Identification

This instrument prepared by: Anita D DeSilva P.O. Box 1799, Quincy, FL 32353

Attest:

GADSDEN BOARD OF COUNTY COMMISSIONER
By:

CLERK OF THE CIRCUIT COURT

CHAIRMAN, BOARD OF COUNTY COMMISSION