Instr #2010066028 BK:2789 PG:1385 Filed & Recorded:12/16/2010 1:40:24 PM, #Pgs:6

Rec Fees: \$52.50 Mtg Stamps: \$147.70 Int Tax ExemptTLM Deputy Clk, Karen

Nicolai, Hernando County Clerk of Court

1 HERNANDO COUNTY HEALTH AND Human Services

2 Neighborhood Stabilization Program (NSP)

3 20 N. Main Street Pm/61

4 BROOKSVILLE, FL 34601

SECOND MORTGAGE UNDER

HERNANDO COUNTY, FLORIDA NSP PURCHASE ASSISTANCE PROGRAM

This is a Mortgage where the Balance is due upon the sale or when the Unit should no longer be the primary residence of the borrower.

THIS SECOND MORTGAGE is made this 29th day of September, 2010, between the Mortgagor(s),

(A married couple) <u>Eric J & Stacey M Cardenas</u> (herein the "Borrower") and the Mortgagee, Hernando County, a political sub-division of the State of Florida whose address is 20 North Main Street, Brooksville, FL 34601-2800 (herein the "County").

WHEREAS, the Borrower has applied for a loan under the County's NSP Purchase Assistance Program for the purchase and rehabilitation of the Property (as defined herein), which Mortgage Loan shall be secured by a first mortgage lien (the "First Mortgage") in favor of, Residential Acceptance Corporation 8910 N. Dale Mabry Hwy Ste 17 Tampa, FL 33614 the Borrower has applied to the County for a NSP Purchase Payment Assistance Loan in the amount of Forty Two Thousand One Hundred Fifty Dollars and 00/100 DOLLARS (\$42,150.00) (the "Loan"), the Borrower, along with his/her/their family, intends to reside as a household in the Property (as defined herein), which Property is a single-family residence, the Borrower's total family income at the time of its application for the Loan is less than One Hundred Twenty Percent (120%) of Hernando County's median family income, as defined by HUD in its 2009 Income Limits Documentation System as it pertains to the Federal NSP Register, the Borrower is eligible to participate in the County's NSP Purchase Assistance Program, and the County has agreed to extend and has extended a loan to the Borrower pursuant to said program; and

WHEREAS, the Borrower is indebted to the County in the principal amount Forty Two Thousand One Hundred Fifty Dollars and 00/100 DOLLARS (\$42,150.00), which indebtedness is evidenced by the Borrower's Promissory Note dated September 29, 2010 and extensions and renewals dated thereof (herein "Note"), providing for payment of principal indebtedness, if not sooner paid, due and payable on the sale of the property or when it is no longer the Borrower's primary residence.

TO SECURE to the County the repayment of the indebtedness evidenced by the Note; the payment of all other sums, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of the Borrower herein contained, the Borrower does hereby mortgage, grant and convey to the County the following described property located in the County of Hernando, State of Florida:

Lot 7 Block 214 Royal Highlands, Unit No 4, According to the Plat Thereof, as Recorded in Plat Book 12, Pages 33-44, Inclusive, of The Public Records of Hernando County, Florida

Which has an address of: 12087 Osprey Ave. Spring Hill, FL 34614 (herein the "Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

BORROWER COVENANTS, represents and warrants to the County and its successors and assigns that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property that the Property is unencumbered, except for the mortgage lien of the First Mortgage in favor; **Residential Acceptance Corporation 8910 N. Dale Mabry Hwy Ste 17 Tampa, FL 33614** and for other encumbrances of record. Borrower

covenants, represents and warrants to the County and its successors and assigns that Borrower will defend generally the title to the Property against all claims and demands, subject to the mortgage lien of the First Mortgage and other encumbrances of record.

BORROWER FURTHER COVENANTS and agrees with the County as follows:

- 1. Payment. The Borrower shall promptly pay when due the indebtedness evidenced by the Note.
- 2. Prior Mortgages and Deeds of Trust; Charges; Liens. The Borrower shall perform all of the Borrower's obligations under the First Mortgage and any other mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including the Borrower's covenants to make payments when due. The Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.
- 3. <u>Hazard Insurance</u>. The Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as the County may require and in such amounts and for such periods as the County may require.

The insurance carrier providing the insurance shall be chosen by the Borrower subject to approval by the County; <u>provided</u> that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to the County and shall include a standard mortgage clause in favor of, and in a form acceptable to the County. The County shall have the right to hold the policies and renewals thereof, subject to the terms of the First Mortgage and any other mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, the Borrower shall give prompt notice to the insurance carrier and to the County. The County may make proof of loss if not made promptly by the Borrower.

If the Property is abandoned by the Borrower, or if the Borrower fails to respond to the County within thirty (30) days from the date notice is mailed by the County to the Borrower that the insurance carrier offers to settle a claim for insurance benefits, the County is authorized to collect and apply the insurance proceeds at the County's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

- 4. <u>Preservation and Maintenance of Property, Leaseholds; Condominiums; Planned Unit Developments</u>. The Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. If this Mortgage is on a unit in a condominium or a planned unit development, the Borrower shall perform all of the Borrower's obligations under the declaration or covenants creating or governing such condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.
- 5. Protection of County's Security. If the Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects the County's interest in the Property, then the County may do and pay whatever is necessary to protect the value of the Property and County's rights in the Property, including payment of taxes, hazard insurance and other items as may be required by this Mortgage. Pursuant thereto, the County may disburse such sums on Borrower's behalf, including reasonable attorneys' fees, and take such action as is necessary to protect the County's interest in the Property. If the County required mortgage insurance as a condition of making the Loan secured by this Mortgage, the Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with the Borrower's and the County's written agreement or applicable law.

Any amounts disbursed by the County pursuant to this Paragraph 5, with interest thereon, at the rate of twelve percent (12%) per annum, shall become additional indebtedness of the Borrower secured by this Mortgage. Unless the parties agree to other terms of payment, such amounts shall be payable upon notice from the County to the Borrower requesting payment thereof. Nothing contained in this Paragraph 5 shall require the County to incur any expense or take any action hereunder.

- 6. <u>Inspection</u>. The County may make or cause to be made reasonable entries upon and inspections of the Property; <u>provided</u> that the County shall give the Borrower notice prior to any such inspection specifying reasonable cause therefore related to the County's interest in the Property.
- 7. <u>Condemnation</u>. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to the County, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

- 8. <u>Borrower Not Released</u>; Forbearance By County Not a Waiver. Extension of the time for payment or modification of the sums secured by this Mortgage granted by the County to any successor in interest of the Borrower shall not operate to release, in any manner, the liability of the original Borrower and the Borrower's successors in interest. The County shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify the sums secured by this Mortgage by reason of any demand made by the original Borrower and the Borrower's successors or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.
- 9. Successors and Assigns Bound; Joint and Several Liability, Co-signers. The covenants and agreements herein contained shall find, and the rights hereunder shall insure to, the respective successors and assigns of the County and the Borrower, subject to the provisions of Paragraph 14 hereof. If more than one Borrower executes this Mortgage, all covenants, representations, warranties and agreements of Borrower shall be joint and several. Any Borrower who cosigns this Mortgage, but does not execute the Note; (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to the County under the terms of this Mortgage; (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that County and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.
- 10. <u>Notice</u>. Except for any notice required under applicable law to be given in another manner; (a) any notice to the Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified or registered mail, postage prepaid, addressed to the Borrower at the Property Address or at such other address as the Borrower may designate by notice to the County as provided herein, and (b) any notice to the County shall be given by certified or registered mail, postage prepaid, to the County's address stated on page 1 hereof, or to such other address as the County may designate by notice to the Borrower as provided herein. Any notice provided for in this mortgage shall be deemed to have been given to the Borrower or the County when given in the manner designated herein.
- 11. Governing Law; Severability; Costs. This Mortgage shall be governed by the laws of the State of Florida, and, to the extent applicable hereto, the laws and regulations of the United States of America. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this and the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.
- 12. <u>Borrower's Copy</u>. Borrower shall be furnished a conformed copy of the Notice and of this Mortgage at the time of execution or after recordation hereof.
- 13. <u>Rehabilitation Loan Agreement</u>. Borrower shall fulfill all of the Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with the County, at the County's option, may require Borrower to execute and deliver to the County, in a form acceptable to the County, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.
- 14. <u>Transfer of the Property</u>. If all or any part of the Property or any interest in it is sold, transferred gifted or otherwise conveyed, whether by voluntary act, involuntarily, by operation of law or otherwise, or if the Borrower is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the Property, or if the Property is leased or rented, all sums secured by this Mortgage shall immediately become due and payable as provided herein.

The County shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given as provided in Paragraph 10 hereof within which the Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, the County may invoke any remedies permitted by this Mortgage without further notice or demand on the Borrower.

15. Acceleration; Remedies. Except as provided in Paragraph 14 hereof, upon the Borrower's breach of any covenant or agreement of the Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, or in the event that the Borrower shall have made material misrepresentations or material omissions in his/her/their application for a Down Payment Assistance Loan, the County, at the County's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Prior to acceleration of this Mortgage, the County shall give notice to the Borrower as provided in Paragraph 10, thereof specifying (1) the breach (if the breach is curable); (2) the action required to cure such breach; (3) a date, not less than ten (10) days from the date the notice is mailed to Borrower, by which such breach must

be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding, and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure. The County shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, court costs, and cost of documentary evidence, abstracts and title reports.

- 16. Borrower's Right to Reinstate. Notwithstanding the County's acceleration of the sums secured by this Mortgage due to the Borrower's breach, the Borrower shall have the right to have any proceedings begun by the County to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) the Borrower pays the County all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) the Borrower cures all breaches of any other covenants or agreements of the Borrower contained in this Mortgage; (c) the Borrower pays all reasonable expenses incurred by the County in enforcing the covenants and agreements of the Borrower contained in this Mortgage, and in enforcing the County's remedies as provided in Paragraph 15 hereof, including, but not limited to, reasonable attorneys' fees and court costs; and (d) the Borrower takes such action as the County may reasonably require to assure that the lien of this Mortgage, the County's interest in the Property and the Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by the Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.
- 17. <u>Assignment of Rents</u>; <u>Appointment of Receiver</u>. As additional security hereunder, the Borrower hereby assigns to the County the rents of the Property, provided that the Borrower shall, prior to acceleration under Paragraph 15, hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under Paragraph 15 hereof or abandonment of the Property, the County shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

- 18. <u>Release</u>. Upon payment of all sums secured by this Mortgage, the County shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.
- 19. Attorney's Fees. As used in this Mortgage and in the Note, "attorneys' fees" shall include attorneys' fees, if any, incurred in connection with the collection or enforcement of this Mortgage or of the Note, whether or not suit is brought and whether incurred at trial, on appeal, in bankruptcy proceedings or otherwise.
- 20. Special Homeownership Assistance Program; NSP Purchase Assistance Program; Covenants, Representations. The Borrower covenants, represents and warrants to the County that: (a) the Borrower, along with his/her/their family, intends to permanently reside as a household in the Property; (b) the Property is a single-family residence, (c) the Borrower's total family income at the time of its application for the Loan was less than or equal to one hundred twenty percent (120%) of the Hernando County area median income levels set forth by HUD for FY 2009, and (d) the Borrower is eligible to participate in the County's NSP Purchase Assistance Program.

The County consents to any agreement or arrangement in which the First Lender waives, postpones, extends, reduces or modifies any provisions of the First Note and the First Mortgage, including any provision requiring the repayment of money.

If any provision of the Promissory Note of the Second Mortgage conflicts with any provision of the First Note or the First Mortgage, the terms and provisions of the First Note and the First Mortgage shall govern.

In the event of a foreclosure or a deed in lieu of foreclosure of the First Mortgage, any provision herein or in any collateral agreement restricting the use of the Property or restricting the Borrower's ability to sell the Property shall have no further force or effect on subsequent owners or purchasers of the Property. Any person, including his successors and assigns (other than the Borrower or a related entity or person to the Borrower), receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the First Mortgage shall receive title to the Property free and clear from such restrictions. Furthermore, if the First Lender acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Second Mortgage shall automatically terminate upon the First Lender's acquisition of title.

1	NOTICE TO BORROWER
2	
3	DO NOT SIGN THIS MORTGAGE IF IT CONTAINS BLANK SPACES. ALL SPACES SHOULD BE COMPLETED BEFORE YOU
4	SIGN. THIS IS A MORTGAGE WHERE THE PRINCIPAL BALANCE DUE IS <u>\$ 42,150.00</u> TOGETHER WITH ACCRUED INTEREST
5	IF ANY, UNDER THE TERMS OF THIS SECOND MORTGAGE, UNLESS THE TERMS OF AGREEMENT OF THIS DOCUMENT
6	AND ANY OF THE NSP GUIDELINES INCLUDING THE PERIOD OF AFFORDIBLITY ARE DEFAULTED UPON THEN PAYMENT
7	WILL BE DUE IN FULL BASED ON THE SCALE AND CONDITIONS SET FORTH BELOW:
8	Borrower(s) receiving NSP purchase assistance and/or rehabilitation assistance funds will be required to sign a
9	repayment agreement that will be filed against the property. The terms of the repayment agreement will require the
10	borrower(s) to pay back 100% of the NSP funds if they sell, transfer, no longer occupy, rent, or refinance the
11	property within Fifteen (15) years. The Fifteen years will begin with the date the repayment agreement is signed, and
12	ends at midnight 15 years from that said date. If the property is sold, transferred, or ceases to be used for an eligible
13	NSP activity and/or use a provided for in the NSP federal guidelines and all applicable Titles/§ of the USC ,and/or
14	CFR statutes within a period of Fifteen (15) years after the Effective Date, the Owner shall repay to Lender a sum
15	equal to the full amount of the 2nd Differed Payment Loan (DPL), as set forth above subject to the availability based
16	on net proceeds. Net proceeds are defined as the amount available from the sale less non-NSP debt recorded prior
17	to the date of the Agreement and closing costs. If the amount of net proceeds is not sufficient to repay the entire
18	DPL amount, then the amount to be repaid shall be as follows: where this statement of recapture conflicts with any
19	statement in the body of this loan agreement and the accompanying Promissory Note, this statement shall take
20	precedence as it pertains to repayment and recapture of NSP funding by reason of borrower(s) default.
21	
22	

1	
2	Signed, sealed and delivered in the presence of: Jean Rags, Director
3 4	Borrower
5	
6	EUIC CAUDEWAS
7	Name
8	2.007 OCPABLY ALLE
9	12087 OSPAEY AUE
10	Address
	La lie, la
11	The Charles
12	Witness #1 Signature
13	Jean M. Rass
14	Name:
15	Walter & John Care
16	Maria / tocos Co Borrower
17	Witness #2 CARDENAS
18	Name:
19	12087 OSPAEY AVE
20 21	Address
Z 1	Address O O O
22	WHOOOL CAROLONOL
23	Signature
24	
25	
26	
27	STATE OF FLORIDA
28	COUNTY OF HERNANDO
29	DG C- L Frank Stones
30	The foregoing was acknowledged before me this 29 day of Sept., 2010, by ERIC And Stace 9, who is personally known to me or who has produced a valid driver's license as identification and who did not
3 C	who is personally known to me or who has produced a valid driver's license as identification and who did not
32	take an oath.
33	Med 21 L
34	- Joseph Charles
35	My him of Totals
36 37	PREPARED BY: Antonio Jenkins C/O
38	HERNANDO COUNTY HEALTH & HUMAN SERVICES Name (type, print or stamp name)
39	
40	BROOKSVILLE, FL. 34601 My Commission Expires
41	Ture (~1013
42	June 1-1
	MARTIN T JACOBS
	NOTARY PUBLIC - STATZO
	Commission # DD 874773 My Commission Expires June 12, 2013
	My Commission 27