

Memo

To: GREGORY J. ORAVEC, CITY MANAGER
From: PATRICIA J. SELMER, DIRECTOR, COMMUNITY SERVICES
Date: October 19, 2012
Re: ACCEPTANCE OF REDUCED PAYOFF FOR SHIP LOAN

BS

The City of Port St. Lucie provided a second mortgage loan to Ms Marjorie Mitchell and Mr. Laurence Mitchell in May 2006 for repair/rehab of their primary residence located at 1391 SE Buckingham Ter. The loan provided for forgiveness at 10% per year until 5/3/11 when the balance of \$10,349.00 became due and payable upon sale.

On 10/12/12 we received a request for a payoff and submitted same to Lennox Realty. The realtor contacted us on 10/18/12 and indicated that the lender had approved of the short sale transaction subject to agreement from the City of Port St. Lucie to accept a lesser payoff than what was due. They have offered \$2,500.00 to obtain our release and proceed with the short sale.

We have received the following items requested from the realty company in order to consider approval of the short sale:

- Copy of sales contract for \$47,000.00 (first page attached)
- Copy of Appraisal for \$47,000.00 (1st and 2nd page attached)
- Hardship letter from mortgagors/sellers
- Preliminary HUD-1 showing seller receiving no proceeds.

Our Housing Plan provides that the City Council may approve forgiveness of a mortgage "if it is determined that there will not be sufficient profit from a bona-fide good-faith sale of the property..." In that case "the owner/mortgagor may request a review for forgiveness of all or a portion of the remaining balance of the mortgage."

The realtor has been informed that Council must approve all requests for short sale reductions. Please consider this memo as our request for consideration at the next City Council meeting.

Thank you for your consideration.

NOV 8 '12 AM 9:19
Clark

PORT ST. LUCIE CITY COUNCIL
Agenda Item Request

MEETING: CITY COUNCIL Regular X Special

DATE: November 13, 2012

Public Hearing Ordinance Resolution Motion X

ITEM: Client asks for lesser payoff for the second mortgage loan repayment to allow Short Sale.

RECOMMENDED ACTION: Approve forgiveness of Housing Program second mortgage.

SUMMARY EXPLANATION/BACKGROUND INFORMATION: Our clients who have a second mortgage through the Community Services Housing Program are unemployed. As a result they can no longer make their home payments. The clients have arranged a short sale for their home instead of allowing it to go through foreclosure. The clients owe \$69,579.12 on their first mortgage and the home is selling for \$47,000.00. The Housing program is owed \$10,349.00 on a second mortgage and the first lender is willing to allow \$2,500.00 to be paid against that loan. Council approved a provision in the Housing Assistance Plan to forgive our second mortgage if we couldn't reasonably expect to be paid. We recommend a partial forgiveness of the loan as outlined. It would be in the best interest of the City to allow this short sale to go forward instead of allowing the home to go into foreclosure.

IF PRESENTATION IS TO BE MADE, HOW MUCH TIME WILL BE REQUIRED?

SUBMITTING DEPARTMENT: Community Services DATE: 10/19/12

"AS IS" Residential Contract For Sale And Purchase
 THIS FORM HAS BEEN APPROVED BY THE FLORIDA REALTORS AND THE FLORIDA BAR



1. **PARTIES:** Marjorie Mitchell John E Mitchell ("Seller"),
 2. and RMH SR Enterprises LLC ("Buyer"),

3 agree that Seller shall sell and Buyer shall buy the following described Real Property and Personal
 4 Property (collectively "Property") pursuant to the terms and conditions of this AS IS Residential Contract For Sale
 5 And Purchase and any riders and addenda ("Contract"):

6 **1. PROPERTY DESCRIPTION:**

7 (a) Street address, city, zip: 1391 SE Buckingham Ter, Port St Lucie FL 34952-4101
 8 (b) Property is located in: St. Lucie County, Florida. Real Property Tax ID No: 3422-580-0226-000-8
 9 (c) Legal description of the Real Property: SOUTH PORT ST LUCIE-UNIT 16- BLK 226

10 LOT 20 (MAP 34/35S) (OR 1279-157)
 11 together with all existing improvements and fixtures, including built-in appliances, built-in furnishings and
 12 attached wall-to-wall carpeting and flooring ("Real Property") unless specifically excluded below.

13 (d) Personal Property: The following items owned by Seller and existing on the Property as of the date
 14 of the initial offer are included in the purchase ("Personal Property"): (i) range(s)/oven(s), dishwasher(s),
 15 disposal, ceiling fan(s), intercom, light fixtures, rods, draperies and other window treatments, garage door
 16 openers, and security gate and other access devices; and (ii) those additional items checked below. If
 17 additional details are necessary, specify below. **If left blank, the item below is not included:**

- | | | | |
|--|--|---|---|
| <input type="checkbox"/> Refrigerator(s) | <input type="checkbox"/> Smoke detector(s) | <input type="checkbox"/> Pool barrier/fence | <input type="checkbox"/> Storage shed |
| <input type="checkbox"/> Microwave oven | <input type="checkbox"/> Security system | <input type="checkbox"/> Pool equipment | <input type="checkbox"/> TV antenna/satellite dish |
| <input type="checkbox"/> Washer | <input type="checkbox"/> Window/wall a/c | <input type="checkbox"/> Pool heater | <input type="checkbox"/> Water softener/purifier |
| <input type="checkbox"/> Dryer | <input type="checkbox"/> Generator | <input type="checkbox"/> Spa or hot tub with heater | <input checked="" type="checkbox"/> Storm shutters and panels |
| <input type="checkbox"/> Stand-alone ice maker | | <input type="checkbox"/> Above ground pool | |

18 The only other items of Personal Property included in this purchase, and any additional details regarding
 19 Personal Property, if necessary, are: _____

20 Personal Property is included in the Purchase Price, has no contributory value, and shall be left for the Buyer.

21 (e) The following items are excluded from the purchase: _____

24 **2. PURCHASE PRICE (U.S. currency):**..... \$ 47,000.00

25 (a) Initial deposit to be held in escrow in the amount of (checks subject to COLLECTION) \$ 1,000.00

26 The initial deposit made payable and delivered to "Escrow Agent" named below
 27 (CHECK ONE): accompanies offer or is to be made upon acceptance (Effective Date)
 28 or is to be made within N/A (if blank, then 3) days after Effective Date

29 Escrow Agent Information: Name: Real Estate Company Rocks
 30 Address: 1345 NE Flora Pl, Jensen Bch, FL Phone: _____
 31 E-mail: RealEstateCompanyRocks@yahoo.com Fax: _____

32 (b) Additional deposit to be delivered to Escrow Agent within N/A (if blank, then 3)
 33 days after Effective Date..... \$ _____

34 (All deposits paid or agreed to be paid, are collectively referred to as the "Deposit")

35 (c) Financing: Express as a dollar amount or percentage ("Loan Amount") see Paragraph 8

36 (d) Other: \$ _____

37 (e) Balance to close (not including Buyer's closing costs, prepaids and prorations) by wire
 38 transfer or other COLLECTED funds..... \$ 46,000.00

39 **NOTE: For the definition of "COLLECTION" or "COLLECTED" see STANDARD S.**

40 **3. TIME FOR ACCEPTANCE OF OFFER AND COUNTER-OFFERS; EFFECTIVE DATE:**

41 (a) If not signed by Buyer and Seller, and an executed copy delivered to all parties on or before 9/25/2012
 42 _____ this offer shall be deemed withdrawn and the Deposit, if any, will be returned to Buyer.
 43 Unless otherwise stated, time for acceptance of any counter-offers shall be within 2 days after the day the
 44 counter-offer is delivered.

45 (b) The effective date of this Contract will be the date when the last one of the Buyer and Seller has signed or
 46 initialed this offer or final counter-offer ("Effective Date").

47 **4. CLOSING DATE:** Unless modified by other provisions of this Contract, the closing of this transaction shall occur
 48 and the closing documents required to be furnished by each Party pursuant to this Contract shall be delivered
 49 ("Closing") on 12/25/2012 ("Closing Date"), at the time established by the Closing Agent.

Buyer's Initials MM VM Page 1 of 10 OCT 1 Seller's Initials MM VM
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Uniform Residential Appraisal Report

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

Property Address 1391 SE BUCKINGHAM TERRACE City PORT ST. LUCIE State FL Zip Code 34952-4101
 Borrower MARJORIE MITCHELL Owner of Public Record MARJORIE & JOHN MITCHELL County ST. LUCIE
 Legal Description SOUTH PORT ST LUCIE-UNIT 16- BLK 226 LOT 20 (MAP 34/35S)
 Assessor's Parcel # 3422-58/0-0226-000-8 Tax Year 2011 R.E. Taxes \$ 938.00
 Neighborhood Name SE PORT ST. LUCIE Map Reference 35-36-40 Census Tract 3820.10
 Occupant Owner Tenant Vacant Special Assessments \$ 89.83** PUD HOA \$ 0 per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe):
 Assignment Type Purchase Transaction Refinance Transaction Other (describe) ESTIMATE MARKET VALUE FOR FHA LOSS MITIGATION PURPOSES
 Lender/Client KEYSTONE ASSET MANAGEMENT Address 3015 ADVANCE LANE, COLMAR, PA 18915
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes No
 Report data source(s) used, offering price(s), and date(s). MLS #3311572, LISTED 9/20/2012 FOR \$49,500. OFFERED AS A SHORT SALE THE LISTING SHOWS AS PENDING BUT NO CONTRACT PRICE WAS DISCLOSED TO THE APPRAISER.
 I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed.
 Contract Price \$ Date of Contract Is the property seller the owner of public record? Yes No Data Source(s)
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid.

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Location	<input type="checkbox"/> Urban	<input checked="" type="checkbox"/> Suburban	<input type="checkbox"/> Rural	Property Values	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining	PRICE	AGE	One-Unit	90 %	
Built-Up	<input checked="" type="checkbox"/> Over 75%	<input type="checkbox"/> 25-75%	<input type="checkbox"/> Under 25%	Demand/Supply	<input type="checkbox"/> Shortage	<input checked="" type="checkbox"/> In Balance	<input type="checkbox"/> Over Supply	\$(000)	(yrs)	2-4 Unit	%	
Growth	<input type="checkbox"/> Rapid	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Slow	Marketing Time	<input checked="" type="checkbox"/> Under 3 mths	<input type="checkbox"/> 3-6 mths	<input type="checkbox"/> Over 6 mths	30	Low	0	Multi-Family	%
Neighborhood Boundaries	US HWY #1 TO THE NORTH AND EAST, PORT ST. LUCIE BLVD. TO THE SOUTH AND THE NORTH FORK OF THE ST. LUCIE RIVER TO THE WEST.							200	High	50	Commercial	5 %
Neighborhood Description	SUBJECT IS LOCATED BETWEEN THE RIVER AND US HWY #1. THE MARKET AREA IS A LARGE TRACT OF RESIDENTIAL LAND PLATTED INTO MAINLY 1/4 - 1/2 ACRE LOTS. INCREASED COMMERCIAL DEVELOPMENT IS LOCATED TO THE SOUTH ON PORT ST. LUCIE BLVD AND EAST ON US HWY #1. CLOSE ACCESS TO SHOPPING AND THE BEACHES HAS A POSITIVE IMPACT.							75	Pred	25	Other MIXINST	5 %
Market Conditions (including support for the above conclusions)	PRICES IN THE PAST YEAR DO APPEAR TO HAVE REMAINED RELATIVELY STABLE AFTER SEVERAL YEARS OF DRAMATIC PRICE DECREASES. MARKETING TIMES ARE AROUND 2-3 MONTHS ONCE LISTED COMPETITIVELY AT OR NEAR MARKET VALUE. SUPPLY AND DEMAND APPEARS TO BE RETURNING TO A BALANCE.											
Dimensions	97.39 X 125 X 62.61 X 125			Area	10,000 SqFt		Shape	PIE SHAPED		View	RESIDENTIAL	
Specific Zoning Classification	RS-2			Zoning Description	RESIDENTIAL SINGLE FAMILY							
Zoning Compliance	<input checked="" type="checkbox"/> Legal	<input type="checkbox"/> Legal Nonconforming (Grandfathered Use)	<input type="checkbox"/> No Zoning	<input type="checkbox"/> Illegal (describe)								
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.												

SITE

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements—Type	Public	Private	
Electricity	<input checked="" type="checkbox"/>		Water	<input checked="" type="checkbox"/>	Street	ASPHALT	<input checked="" type="checkbox"/>	
Gas		NONE NOTED.	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	NONE / TYPICAL		
FEMA Special Flood Hazard Area	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	FEMA Flood Zone	X	FEMA Map #	12111C0291J	FEMA Map Date	02/16/2012
Are the utilities and/or off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.								
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe.								
NO ADVERSE CONDITIONS NOTED.								

IMPROVEMENTS

Units	<input checked="" type="checkbox"/> One	<input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab	<input type="checkbox"/> Crawl Space	Foundation Walls	CONCRETE/AVG	Floors	TILE/AVG			
# of Stories	1		<input type="checkbox"/> Full Basement	<input type="checkbox"/> Partial Basement	Exterior Walls	FRAME/STUCCO/AVG	Walls	DRYWALL/AVG			
Type	<input checked="" type="checkbox"/> Det	<input type="checkbox"/> Att	<input type="checkbox"/> S-Det/End Unit	Basement Area	sq. ft.	Roof Surface	SHINGLE/AVG	Trim/Finish	WOOD/AVG		
<input checked="" type="checkbox"/> Existing	<input type="checkbox"/> Proposed	<input type="checkbox"/> Under Const.	Basement Finish	%	Gutters & Downspouts	NONE	Bath Floor	TILE/AVG			
Design (Style)	RANCH		<input type="checkbox"/> Outside Entry/Exit	<input type="checkbox"/> Sump Pump	Window Type	SLIDING/AVG	Bath Wainscot	TILE/AVG			
Year Built	1978		Evidence of	Infestation	Storm Sash/Insulated	NONE	Car Storage	None			
Effective Age (Yrs)	20		Dampness	Settlement	Screens	SCREENS/AVG	<input checked="" type="checkbox"/> Driveway	# of Cars 1			
Attic	None		Heating	<input checked="" type="checkbox"/> FWA	<input type="checkbox"/> HWB	<input type="checkbox"/> Radiant	Amenities	Woodstove(s) #			
<input type="checkbox"/> Drop Stair	<input type="checkbox"/> Stairs		Other	Fuel	ELECTRIC	Fireplace(s) #	Fence	<input checked="" type="checkbox"/> Garage			
Floor	<input checked="" type="checkbox"/> Scuttle		Cooling	<input checked="" type="checkbox"/> Central Air Conditioning	Patio/Deck	<input checked="" type="checkbox"/> Porch ENCL	Carport	# of Cars			
Finished	Heated		Individual	Other	Pool	Other	<input checked="" type="checkbox"/> Alt	<input type="checkbox"/> Det			
Appliances	<input checked="" type="checkbox"/> Refrigerator	<input checked="" type="checkbox"/> Range/Oven	<input checked="" type="checkbox"/> Dishwasher	<input checked="" type="checkbox"/> Disposal	<input checked="" type="checkbox"/> Microwave	<input checked="" type="checkbox"/> Washer/Dryer	<input type="checkbox"/> Other (describe)				
Finished area	above grade contains:	5	Rooms	3	Bedrooms	2.00	Bath(s)	1,176	Square Feet of Gross Living Area Above Grade		
Additional features (special energy efficient items, etc.) 3 BEDROOM, 2 BATHS, 1 CAR GARAGE, ENCLOSED PORCH											
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). THE HOME IS IN AVERAGE CONDITION OVERALL WITH FUNCTIONAL FLOORPLAN AT THE TIME OF INSPECTION THE MASTER BATH SINK & TOILET WERE NOT WORKING. PER OWNER THERE WAS A SMALL LEAK & BLOCKAGE. THE APPRAISER COULD NOT DETERMINE THE CAUSE OF THE PROBLEM. HOWEVER, A COST OF \$1,000 IS APPLIED TO BRING THE FIXTURES BACK INTO WORKING ORDER (REPLACE PIPE UNDER SINK AND UNBLOCK TOILET DRAIN).											
Are there any physical deficiencies or adverse conditions that affect the usability, soundness, or structural integrity of the property? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes, describe.											
Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe.											

Uniform Residential Appraisal Report

There are 58 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 39,900 to \$ 159,500					
There are 75 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 33,000 to \$ 170,000					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	1391 SE BUCKINGHAM TERRACE PORT ST. LUCIE, FL 34952-4101	1601 SE ELKHART TERRACE PORT ST. LUCIE, FL 34952	2056 SE HIDEAWAY CIRCLE PORT ST. LUCIE, FL 34952	2282 SE MIDTOWN ROAD PORT ST. LUCIE, FL 34952	
Proximity to Subject		0.66 miles SE	1.30 miles S	1.74 miles S	
Sale Price	\$	\$ 50,000	\$ 52,000	\$ 55,000	
Sale Price/Gross Liv. Area	\$ 0.00 sq. ft.	\$ 35.84 sq. ft.	\$ 40.91 sq. ft.	\$ 46.77 sq. ft.	
Data Source(s)		MLS #3265063 DOM 85	MLS #3294657 DOM 20	MLS #3239946 DOM 271	
Verification Source(s)		RE AGENT/OR 3397-2871	RE AGENT/OR 3416-1301	RE AGENT/OR 1830-1442	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-)\$ Adjustment	DESCRIPTION	+(-)\$ Adjustment
Sale or Financing		CASH SALE		CASH SALE	
Concessions		NONE/REQ SALE		NONE/RESALE	
Date of Sale/Time		05/31/2012		07/27/2012	
Location		AVERAGE		AVERAGE	
Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE		FEE SIMPLE	
Site	10,000 SF	14,000 SF	500	10,000 SF	0
View	RESIDENTIAL	RESIDENTIAL		RESIDENTIAL	
Design (Style)	RANCH	RANCH		RANCH	
Quality of Construction	FRAME/AVG	FRAME/AVG	0	FRAME/AVG	
Actual Age	14 YRS	34 YRS		35 YRS	
Condition	AVERAGE	AVERAGE		AVERAGE	
Above Grade	Total Bdrms Baths	Total Bdrms Baths		Total Bdrms Baths	
Room Count	5 3 2.00	5 3 2.00	0	5 3 2.00	0
Gross Living Area	1,176 sq. ft.	1,395 sq. ft.	-3,300	1,271 sq. ft.	0
Basement & Finished	NONE	NONE		NONE	
Rooms Below Grade	NONE	NONE		NONE	
Functional Utility	ADEQUATE	ADEQUATE		ADEQUATE	
Heating/Cooling	CENTRAL	CENTRAL		CENTRAL	
Energy Efficient Items	TYPICAL	TYPICAL		TYPICAL	
Garage/Carport	GARAGE/1	GARAGE/1		GARAGE/1	
Porch/Patio/Deck	ENCL.PCH	SCR PORCH	0	SCR PORCH	0
POOL ETC	NO POOL	NO POOL		NO POOL	-5,500
COST TO CURE	REPAIRS	REPAIRS		REPAIRS	-1,000
Net Adjustment (Total)					
Adjusted Sale Price of Comparables		Net Adj: -8% Gross Adj: 8%		Net Adj: -2% Gross Adj: 2%	
		\$ 46,200		\$ 51,000	
					\$ -5,500
					\$ -1,000
					\$ -5,500
I <input checked="" type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain:					
My research <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.					
Data source(s) MLS/CO APPRAISER					
My research <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.					
Data source(s) MLS/CO APPRAISER					
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).					
ITEM	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Date of Prior Sale/Transfer	01/21/2000	01/23/2012	04/23/2012	NONE NOTED	
Price of Prior Sale/Transfer	62,000	\$41,000 (CT)	\$100 (CT)	IN PRIOR 12 MONTHS	
Data Source(s)	COUNTY RECORDS	COUNTY RECORDS	COUNTY RECORDS	COUNTY RECORDS	
Effective Date of Data Source(s)	09/12	09/12	09/12	09/12	
Analysis of prior sale or transfer history of the subject property and comparable sales. CERTIFICATE OF TITLE TRANSFER OF COMPS 1 & 2 NOTED NO OTHER SALES ACTIVITY INVOLVING THE SUBJECT NOTED IN THE LAST 3 YEARS OR COMPS IN THE PRIOR 12 MONTHS.					
Summary of Sales Comparison Approach ALL SALES ARE LOCATED IN THE COMPETITIVE MARKET PLACE (WHICH DOES EXTEND OVER PREFERRED 1 MILE GUIDELINES. COMPS 2 AND 3 CLOSED WITHIN 90 DAYS. COMP 1 CLOSED WITHIN 6 MONTHS. COMP 3 IS A POOL HOME BUT DID NEED WORK (PER MLS/AGENT) AND IS THE SAME AGE & SIZE. THE USE OF REQ AND/OR SHORT SALES WAS UNAVOIDABLE AS THEY ARE CURRENTLY PREVALENT IN THE MARKETPLACE AND CONSIDERED A DRIVING FORCE WITH REGARD TO MARKET VALUE.					
THE "AS IS" VALUE= \$47,000 AND THE "FHA REPAIRED" VALUE = \$48,000. THE "AS IS" VALUE REFLECTS NORMAL MARKETING TIME OF AROUND 90 DAYS. (SOME HOMES MAY HAVE LONGER ON MARKET TIMES WHICH CONSIDERS ADDITIONAL TIME FOR SHORT SALE DUE DILIGENCE). FURTHER DISCOUNTS MAY BE APPLIED TO FACILITATE QUICKER SALES.					
Indicated Value by Sales Comparison Approach \$ 47,000					
Indicated Value by: Sales Comparison Approach \$ 47,000 Cost Approach (if developed) \$ 0 Income Approach (if developed) \$					
THE SALES COMPARISON APPROACH OFFERS THE BEST INDICATION OF VALUE. THE COST AND INCOME APPROACHES WERE NOT CONSIDERED APPLICABLE IN THIS ASSIGNMENT AND WERE NOT DEVELOPED.					
This appraisal is made <input checked="" type="checkbox"/> "as is," subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: NO PERSONAL PROPERTY INCLUDED					
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 47,000 as of 09/24/2012, which is the date of inspection and the effective date of this appraisal.					

SALES COMPARISON ANALYSIS

RECONCILIATION

10-19-2012

Dear City of Port St Lucie

Due to my husband and I both losing our jobs we are unable to make our mortgage payments and it is with regret that we have to sell our house. However, due to the house being valued for less than the amount of the loan we have to do a short sale. We did apply for a loan modification which was granted, however, we were still unable to meet the monthly payments.

Yours truly

Margorie Mitchell

P.S. Our last mortgage payment was May 2012.

The outstanding principle balance as of today is \$69,579.72



Midland Mortgage Delinquency Assistance Center

PO Box 26648, Oklahoma City, OK 73126 Phone (405) 717-3000

October 11, 2012

City of Port St. Lucie:

Re: Settlement of Lien
Mortgagor: Marjorie and Vivian Mitchell
Property: 1391 SE Buchingham Terrace
Port St. Lucie FL 34952

Dear **City of Port St. Lucie**:

The above referenced mortgagor has applied for the Pre-Foreclosure Short Sale Program. If the mortgagor is formally approved into the program, she will be eligible for a \$750.00 incentive for participating in the short sale program. The homeowner would receive these funds at closing. If the mortgagor closes within the first 90 days of being formally approved, the mortgagor is eligible to receive an additional \$250.00. If there are any outstanding liens/judgments against the property, she must use her incentive to pay those liens/ judgments. If this incentive is not enough to cover the outstanding liens/ judgments, HUD will allow an additional \$1,500.00 to be applied.

This letter will confirm that **City of Port St. Lucie** is the current holder of the above-referenced lien against the above-referenced property address. This letter is to **City of Port St. Lucie** to accept up to the sum of \$2500.00 as full and final satisfaction of the above-referenced lien. **City of Port St. Lucie** shall present a duly executed release of the lien upon receipt of the funds.

This letter should not be considered a commitment to pay and Midland Mortgage reserves the right to not make payment to **City of Port St. Lucie** in which case **City of Port St. Lucie's** lien would remain in place.

If you are in agreement with the above terms, please forward a letter indicating that you agree to release the above referenced lien/ judgment against aforementioned property and mortgagor.

If you have any further questions, please contact Gayla Fowler in the Delinquency Assistance Center at 1-800-552-3000, option 7, extension 1533. If you prefer, you may instead dial my direct line (405) 426-1680.

Please fax to: 405-858-3653.

Sincerely,

Gayla Fowler
Midland Mortgage, a Division of Midfirst Bank
Delinquency Assistance Center

RECEIVED

OCT 18 2012

COMMUNITY
SERVICES



A. Settlement Statement (HUD-1)

B. Type of Loan

1 FHA 2 RHS 3 Conv. unins 4 VA 5 Conv. ins 6 Other
 6 File Number: 1066 7 Loan Number: 8 Mortgage insurance Case Number:

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(POC)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name & Address of Borrower: RMH SR Enterprises, LLC, 819 SW Federal Highway, Suite 103, Stuart, FL 34984

E. Name & Address of Seller: John E Mitchell
Marjone Mitchell

F. Name & Address of Lender:

G. Property Location: Property Address: 1391 SE Buckingham Terrace Port Saint Lucie, Florida 34952
PIN: 3422-580-0662-000-8

H. Settlement Agent: Mara Alyson, PA, 10100 West Sample Road, Suite 101, Coral Springs, FL 33065, (954) 300-2461
Place of Settlement: 10100 West Sample Road, Suite 101, Coral Springs, FL 33065

I. Settlement Date: 12/25/2012 **Proration Date:** 12/25/2012 **Disbursement Date:** 12/25/2012

101. Contract sales price		✓ \$47,000.00	401. Contract sales price	\$47,000.00
102. Personal property			402. Personal property	
103. Settlement charges to borrower (line 1400)		\$1,338.00	403.	
104.			404.	
105.			405.	
106. City/town taxes			406. City/town taxes	
107. County taxes			407. County taxes	
108. Assessments			408. Assessments	
109.			409.	
110.			410.	
111.			411.	
112.			412.	
120. Gross Amount Due from Borrower		\$48,338.00	420. Gross Amount Due to Seller	\$47,000.00
201. Deposit or earnest money			501. Excess deposit (see instructions)	
202. Principal amount of new loan(s)			502. Settlement charges to seller (line 1400)	\$3,954.25
203. Existing loan(s) taken subject to			503. Existing loan(s) taken subject to	
204.			504. Payoff of first mortgage loan to <<Payoff Lender>>	\$41,360.00
205.			505. Payoff of second mortgage loan	
206.			506. City Lien to City of Port St. Lucie	\$2,500.00
207.			507.	
208.			508.	
209.			509.	
210. City/town taxes			510. City/town taxes	
211. County taxes 1/1/2012 to 12/25/2012		\$1,057.38	511. County taxes 1/1/2012 to 12/25/2012	\$1,057.38
212. Assessments			512. Assessments	
213.			513.	
214.			514.	
215.			515.	
216.			516.	
217.			517.	
218.			518.	
219.			519.	
220. Total Paid by/for Borrower		\$1,057.38	520. Total Reduction Amount Due Seller	\$48,871.63
301. Gross amount due from borrower (line 120)		\$48,338.00	601. Gross amount due to seller (line 420)	\$47,000.00
302. Less amounts paid by/for borrower (line 220)		(\$1,057.38)	602. Less reductions in amount due seller (line 520)	(\$48,871.63)
303. Cash <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower		\$47,280.62	603. Cash <input type="checkbox"/> To <input checked="" type="checkbox"/> From Seller	\$1,871.63

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The Public Reporting Burden for this collection of information is estimated to average 35 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.