

Florida Housing Finance Corporation – Sample of Program Forms

Forms will auto fill with information provided at reservation/editing/UW Certification. There are FILL-IN fields on these forms which we do not populate, most are dates or information not collected. While in the system, these FILL-IN fields are denoted by light blue boxes where you can enter the information.

- Checklist – eHP File
- Notices to Buyers and Recapture Brochure – eHP File
- Affidavit (borrower, seller, lender) – eHP File
- Tax Exempt Rider – US Bank File
- FHFC Obligation Letter for both FL Assist & HAMI
- FL Assist-Letter 2013-14
- FL Assist-Note
- FL Assist-Mortgage
- HAMI- Letter 2013-14
- HAMI- Note
- HAMI-Mortgage

**FLORIDA HOUSING
COMPLIANCE CHECKLIST**

MORTGAGOR(S)..... _____
LENDER NAME..... _____
LENDER #..... _____
CONTACT NAME _____
AC & Phone _____
E-mail of Contact Person _____

Please submit the following items in the order indicated and submit all items to assure the quickest processing. The Servicer requires Compliance Approval before purchase.

_____ THIS CHECKLIST

_____ ORIGINAL SIGNED Notice to Buyers

_____ ORIGINAL SIGNED Affidavit-Mortgagor & Seller/Builder Affidavit & Lender Certificate

_____ COPIES OF SIGNED INCOME TAX RETURNS FOR PAST 3 YEARS

❖ **Required for ALL Borrower(s) and/or Spouses ****

❖ (For bond program purposes, tax returns not required for Targeted Areas, Veteran Exception Buyers, or for Cosigners-please see guidelines if not sure)

_____ COPY OF HOMEBUYER EDUCATION CERTIFICATE

_____ COPY OF CERTIFICATE OF OCCUPANCY (CO) - FOR ALL NEW PROPERTIES

_____ COPY OF REAL ESTATE PURCHASE CONTRACT

_____ COPY OF TYPED LOAN APPLICATION - 1003

_____ COPY OF EXECUTED SETTLEMENT STATEMENT - HUD1

_____ **DOCUMENT DETAILING BREAKDOWN of the Origination Fee – (Florida max \$750)**

_____ COPY OF WARRANTY DEED

_____ COPY OF DISCHARGE PAPERS FOR QUALIFIED VETERANS

The Compliance File is submitted with the Mortgage Loan file and Credit Package to the Servicer. Do not include a Compliance Fee. Fee will be netted from purchase.

FLORIDA HOUSING FINANCE CORPORATION ("Issuer")
NOTICES TO BUYERS/AUTHORIZATION NOTICE OF POTENTIAL RECAPTURE
EIN # 59-345136

This mortgage loan is funded from the proceeds of a tax-exempt mortgage revenue bond of the Issuer, therefore, the Mortgagor(s) is(are) receiving the benefits of a lower interest rate, other cash costs and/or down payment assistance than is available with other mortgage. If the Mortgagor(s) sell or otherwise dispose of the residence during the next 9 years, this benefit may be "recaptured". Such recapture is accomplished by an increase in the Mortgagor(s) federal income tax for the year in which the residence is sold or disposed. This recapture only applies if there is a gain resulting from the sale or disposition of the residence and the total annual household income increases above specified levels. You may wish to consult a tax advisor or the Internal Revenue Service at the time of sale or disposition of the residence to determine the amount, if any, of the recapture tax. Following loan closing, you will be provided additional information that will be needed to calculate the maximum recapture tax liability at the time you sell or dispose of the residence. Florida Housing will reimburse if Recapture Tax is paid. See www.floridahousing.org for directions on how to apply for reimbursement.

NOTICE TO BUYERS

Your home is being financed with a mortgage made available with the assistance of the Issuer. This mortgage is made with benefits not available with other mortgage loans. Because of this, your mortgage provides that you cannot rent your home without the Mortgage Servicer's prior written consent (which consent can only be given in very limited, extreme circumstances) or sell your home to a person ineligible for assistance from the Issuer, unless you pay your loan in full.

In order for the loan to be assumed, you must sell your home to a person eligible for assistance from the Issuer, otherwise, you must pay your loan in full or the Issuer may demand immediate full repayment of the loan. This could result in foreclosure of your mortgage and repossession of the property. In addition, if you rent the property or committed fraud or intentionally misrepresented yourself when you applied for the loan, the Lender may foreclose your mortgage and repossess the property. If the Lender takes your home through a foreclosure of the mortgage because of these reasons, HUD, FHA, VA, the Servicer and/or the Issuer (as applicable) will not be able to help you.

In order for the mortgage to be assumed, you must sell your home at or below the federally-designated maximum sales price in effect when you sell your home.

If the money received from the foreclosure sale is not enough to pay the remaining amount of money you owe on the loan, the Servicer may obtain a deficiency judgment against you (a court ruling that you must pay whatever money is still owed on the loan after the foreclosure sale). Such judgment will be taken over by HUD, VA, or a private mortgage insurer (as applicable). If the Servicer files an insurance claim against HUD, VA, or the private mortgage insurer (as applicable) because of the foreclosure, HUD, VA, or the private mortgage insurer (as applicable) may then bring an action against you to collect the judgment.

NOTICE TO SECOND MORTGAGE BUYERS (If Applicable)
\$ _____ AMOUNT OF SECOND

I/We have applied to the Florida Housing Finance Corporation ("FHFC") for a down payment assistance loan in the amount set forth above under a FHFC Second Mortgage Program to be used for the down payment owed or closing costs incurred by me/us in connection with my/our purchase of the property described above (the "Property"). I/We understand that the second mortgage loan (if not already paid in full) must be repaid in full in the event that I/we sell, transfer or give away the Property (including any involuntary transfer by or as a result of foreclosure or judicial sale or operation of law) or I/we satisfy or refinance the first mortgage loan from the lender or if I/we rent the Property. I/We understand that the Loan cannot be assumed by any person acquiring the Property from me/us.

DISCLOSURE OF MORTGAGOR INFORMATION

The Mortgagor(s) hereby consent and agree that all information furnished by the Mortgagor(s) to the participating Lender, the Servicer, the Administrator and the Issuer, including but not limited to, non public personal and financial information (the "Information"), in connection with the application for mortgage loan(s) under this program, may be disclosed to any person or other third parties in connection with the processing of the Mortgagor(s) loan application, verification of information concerning the loan or the Mortgagor(s), and for any other purpose in furtherance of or connected with the Issuer's program.

BORROWER AUTHORIZATION FOR COUNSELING

If I fail to make any monthly mortgage payment as agreed, I understand that the servicer of my mortgage loan may refer me to a third-party counseling organization or a mortgage insurer that will advise me about finding ways to meet my mortgage obligation. I hereby authorize the servicer to release certain information related to the servicer's own experience with me to such third-party counseling organization or mortgage insurer, and request that the counseling party contact me. I further hereby authorize the third-party counseling organization or mortgage insurer to make a recommendation about appropriate action to take with regard to my mortgage loan, which may assist the servicer in determining whether to restructure my loan or to offer other extraordinary services that could preserve my long-term home ownership.

I/We have read and understand all the Notices and the Authorization shown above.

Date ___ / ___ / 2012

Signature of Mortgagor (no cosigners)

Signature of Mortgagor (no cosigners)

Printed Name of Mortgagor

Printed Name of Mortgagor

Printed Name and Signature for Spouse if ONLY on the Warranty Deed

ABOUT RECAPTURE TAX

FOR FLORIDA HOUSING LOANS BEGINNING WITH 2007 SERIES 1

When you receive a first-time homebuyer loan, you are receiving the benefit of a lower mortgage interest rate and/or down payment / closing cost assistance that is not customarily available on other mortgage loans. The tax-exempt mortgage revenue bond program used to fund your mortgage loan is governed by federal law. The law mandates a "recapture" of some of the benefit of the program if buyers meet all three of the following criteria -- the property ceases to be the principal residence in the first full nine years of ownership; there is a profit on the sale of the home **AND** the household income increases significantly (generally over the program limits in the first year and an additional 5% over the previous year every year thereafter).

If "Recapture Tax" is owed, it's computed and paid to the IRS for the tax year in which the home is sold. For the average buyer in these programs, it's very unlikely that they'll be required to pay because their income is lower than the limits. If Recapture tax must be paid it will **never exceed the lesser** of 6.25% of the original loan amount or one-half of the gain on the sale of the home.

The most that you will ever be required to pay when you sell your home in the first nine years is 6.25% of the highest principal amount of the mortgage loan during the life of the loan. (i.e. If the highest loan amount during the course of the loan was \$50,000 and you sold in the 49-60 months of ownership, then multiply \$50,000 x .0625 and the highest you would pay would be \$3,125.) This amount is considered to be the federally subsidized amount. **When** you sell your home is as important as the amount you receive for the sale of your home and your income at the time you sell. **HOWEVER**, for first mortgage loans financed with Florida Housing's qualified mortgage revenue bonds beginning with the 2007 Series-1 bond issue. **Florida Housing will reimburse you if you have to pay. See the last paragraph on page two of this brochure.**

The actual recapture tax, if any, can only be determined when you sell your home.

Remember

- if you sell your home after nine years, there is no Recapture Tax due;
- if you don't receive a gain (net profit) on the sale of your home, there is no Recapture Tax due, or
- if your adjusted gross income does not increase significantly over the nine years, (usually that means more than 5% per year), there is no Recapture Tax due.

To owe any Recapture Tax, you must sell your home within nine years, make a net profit on the sale of your home AND have a significant increase in income. All three criteria must be met in order for Recapture Tax to be due.

You May Not Have to Pay Recapture Tax if

- your home is destroyed by fire, storm, flood or other casualty, there is generally no recapture tax if within two years you build or rehab for use as your principal residence on the site of the home financed with your original subsidized mortgage loan.

You Are Not Subject to The Recapture Tax if

- you sell or give away or dispose of your home later than 9 full years after you close your mortgage loan.
- your home is disposed of as a result of your death.
- you transfer your home to your spouse or your former spouse as an agreement of your divorce and you have no gain or loss included in your income as a result of the transfer.

ABOUT RECAPTURE TAX

INFORMATION YOU'LL NEED IN THE FUTURE

After you close your loan, you will receive a detailed letter from the Program Administrator or one that will be provided by your lender at closing. This letter should be kept with your other mortgage documents. It contains extremely important information that you will need to determine if you must pay recapture tax.

The letter contains information that you'll need in order to complete Form 8828 such as

- The loan amount (the highest principal amount of the loan)
- Closing Date,
- Name of the Issuer of the Bonds,
- Name of the original lender that made the loan, and
- Chart that details data necessary to complete Form 8828.

What about refinancing my home?

If you refinance your home and stay in it for a full nine years, you won't pay Recapture Tax. Recapture kicks in when the property ceases to be your principal residence before the full nine years, then you may owe Recapture Tax. If you refinance in the first full four years and the property ceases to be your principal residence before the full nine years, there is a special calculation worksheet that must be used if you must pay Recapture Tax. See "For More Information" on the next page and instructions for Form 8828 for more detail.

What does "net profit" on the sale of your home mean?

Consult your tax advisor but generally you will be considering the amount you received for the sale of your home and deducting the expenses of selling your home (i.e. commission paid to a real estate agent, advertising, legal fees, etc.). This is the "Amount Realized" from the sale of the home. From the "Amount Realized" you will subtract your "Adjusted Basis" of your interest in the home. The "Adjusted Basis" will be increased by any sales commission you paid when you bought the home and decreased by depreciation. Your tax advisor will be helpful in determining the exact amount. If the total of the "Amount Realized" minus the "Adjusted Basis" is "0" or lower, you did not realize a gain (make a profit) when you sold the home and you **DO NOT** owe recapture tax. You will still need to complete a form 8828 and send it to the IRS with your federal income tax return in the year you sell or dispose of the home.

What about my income?

If you did make a profit, then you may have to pay recapture. Now you must consider your income. There will be a chart on the letter you receive after closing that shows the maximum income allowable for each 12 month period following closing. The limits are the **program limits for the first 12 months** and then 5% more than the preceding year for each year thereafter. Example: If your income at the time you bought the home was \$40,000 and the income limit is \$50,000, the limit for the first 12 months after closing is \$50,000. Then each 12 months it's 5% more than the previous year. If your modified adjusted gross income on your federal income tax return does not exceed the income limit for the 12-month period in which you sell your home, you **DO NOT** owe recapture tax. If your modified adjusted gross income does exceed the income limit, you **DO** owe recapture tax.

ABOUT RECAPTURE TAX

How much do I owe?

The amount you owe will be the LESSER of 50% of the gain realized from the sale of your home OR the amount resulting from a calculation that uses–

- The income percentage (Consider the amount by which your income exceeds the limit in the year that you sell.
If the amount is \$5,000 or more, then your income percentage is 100%.
If less than \$5,000 then divide the amount by which your income exceeds the limit by \$5,000 and round to the nearest whole percentage.)
- The maximum recapture tax or federally subsidized amount (this is .0625 x the highest principal amount of your loan).
- The holding period percentage as shown on the chart below:

Disposition Within # Months of Closing	Holding Period Percentage	Income 1-2 Person HH	Income 3 + Person HH
1 – 12	20%	\$ Amt shown for 1-12 months will be	the program limits.
13 – 24	40%	Each 12 months the Amount shown will be	5% more than the previous year's limits
25 – 36	60%		
37 – 48	80%		
49 – 60	100%		
61 – 72	80%		
73 – 84	60%		
85 – 96	40%		
97 – 108	20%		
109 or more	No Recapture Tax		

FOR MORE INFORMATION

Contact the IRS and request Form 8828 and the instructions for Form 8828 (both available on the **IRS Website: <http://www.irs.gov>** In the Forms and Publications search box, type "8828" and click. Review the form and instructions now. Consult your tax advisor. In the year that you sell your home, you are required to complete Form 8828 and submit it with your federal income tax return (even after the full 9 years). The income that will be considered in that year will be your modified adjusted gross income from your federal income tax return.

THE BEST NEWS – If you do have to pay Recapture Tax, Florida Housing will reimburse you. Please use the link below for an explanation of to apply for reimbursement.

LINK TO FLORIDA HOUSING RECAPTURE TAX REIMBURSEMENT SITE

<http://www.floridahousing.org/Home/HomebuyersRenters/FTHB/Recapture+Tax+Reimbursement+Form.htm>

**Florida Housing Finance Corporation
 HOMEOWNER MORTGAGE REVENUE BOND PROGRAM - AFFIDAVITS/CERTIFICATION**

There are important legal consequences to this Affidavit. Read carefully before signing.

MORTGAGOR AFFIDAVIT

STATE OF FLORIDA

COUNTY OF _____

SERVICER LOAN # _____

The undersigned, as part of my(our) application for a Florida Housing bond program loan, and, if applicable, a Florida Housing second mortgage, from a participating lender of my (our) choice for a single-family residence that will become my(our) permanent, primary residence, being first duly sworn state the following information to be true and correct:

 MORTGAGOR LAST NAME FIRST MIDDLE

 COMORTGAGOR LAST NAME FIRST MIDDLE

 ADDRESS BEING PURCHASED

FLORIDA

 CITY COUNTY ZIP CODE

CHECK AS APPLICABLE:

_____ New Construction _____ Existing _____ Non-Targeted Area _____ Targeted

CHECK IF APPLICABLE: _____ Mortgagor(Comortgagor) meets the requirements to qualify as a "veteran" as defined in 38 U.S.C. Section 101 and has not previously obtained a loan financed by single family mortgage revenue bonds utilizing the exception to the first-time homebuyer requirement for Residences to Veterans under Section 143(d)(2)(D). Attached hereto are true and correct copies of my discharge or release papers, which demonstrate that such discharge or release was other than dishonorable.

Copies of Federal Income Tax Returns filed with the IRS for the past three (3) years for all resident adults are submitted herewith or the reasons for exemption from filing are stated as follows

 Total Persons in Household _____ Number of Income Recipients _____ Number of Minors _____

Mid Credit Score Used to Qualify Mortgagors _____

Household Income includes the anticipated gross income from all sources of all persons in the household 18 years of age or older

	Mortgagor	Spouse or CoMortgagor	Other Occupant(s)
Annual Wages, Commissions, Bonuses	\$ _____	\$ _____	\$ _____
Self-Employment (Plus Depreciation)	\$ _____	\$ _____	\$ _____
Dividends/Interest/Annuities/Pensions	\$ _____	\$ _____	\$ _____
Child Support/Alimony/Public Assistance	\$ _____	\$ _____	\$ _____
Other Income	\$ _____	\$ _____	\$ _____

Grand Total Annual Household Income (Add All Amounts Above) \$ _____

The TOTAL ACQUISITION COST \$ _____

TOTAL ACQUISITION COST of the property includes all amounts paid previously or in the future, in cash or in kind by the Mortgagor(s) or any other person(s) to or for the benefit of the seller(s); points paid by the seller(s) excluding "usual and reasonable settlement and financing costs," additional amounts paid for fixtures under state law (i.e, light fixtures, window treatments, floor carpeting; capitalized value using discount rate established by the Issuer of ground rent, (leasehold estate); additional amounts to be paid if dwelling is incomplete or unfinished for which a written estimate of completion cost is attached; additional amounts for land purchased separately and not owned by the mortgagor(s) for at least two (2) years prior to the commencement of construction of the residence; and other amounts including any agreements, whether oral or written, property taxes in excess of the mortgagor(s) pro-rata share and settlement and financing costs in excess of the usual and reasonable costs, hook-up, tap-in, site improvements, architectural and builder fees, permits, subcontracted items, construction loan interest and commissions. Apart from any normal real estate agents' commissions, no money is being paid, no promissory note is being delivered, nor is anything else of value (including, without limitation, personal property) being exchanged for or transferred to the seller of the residence or any other persons by me, or to my knowledge, by any other person in connection with the residence except as itemized with the amount of their purchase price that does not exceed their fair market value and attached hereto and incorporated into this Affidavit.

AND THAT (a) the residence will be occupied as my (our) principal residence within a reasonable time not to exceed 60 days of loan closing, will not be used as investment property, vacation, or recreational home, or in conjunction with business activities (as evidenced by the use of more than fifteen percent [15%] of the total floor space in a trade or business) except for the rental of one to three of the units respectively in a two-to-four family residence; and I(we) will immediately notify the Servicer in writing if the residence ceases to be my(our) principal, permanent residence; **(b)** this is not a refinancing of an existing, previously occupied residence for which this mortgage loan is being requested and will not replace my(our) existing mortgage or land contract or a newly constructed residence has not and will not be occupied prior to loan commitment and the proceeds of the mortgage loan will not be used to replace my(our) existing mortgage, unless such loan is a construction, bridge or temporary initial financing of 24 months or less; **(c)** unless the residence is located in a targeted area or is for a qualified veteran, all mortgagors and spouses have submitted the most recent 3 years federal income tax returns or reasons exempted by law to do so, and individually or together have not had an ownership interest in a principal residence within 3 years of loan closing (*principal residence includes single family detached, condominium, shares in housing cooperative, occupancy in an owned multi-family housing unit, factory made housing affixed to real property; ownership includes full or partial ownership interest, fee simple, joint ownership interest by joint tenancy, tenancy in common or tenancy in entirety, in interest of a tenant-stockholder in a cooperative, a land contract under which possession and the burdens and benefits of ownership are transferred, even if legal title is until some later date, ownership interest in trust or life estate interest*); **(d)** no portion of the financing of the residence will receive a Mortgage Credit Certificate; **(e)** I(we) do not have an application in process nor have I(we) received a commitment for a mortgage loan under any other single family mortgage revenue bond program; **(f)** no person related to me(us) has or is expected to have an interest as a creditor in the mortgage loan; **(g)** I(we) must meet all federally and locally mandated requirements to qualify for the mortgage loan; **(h) this Affidavit will be relied upon for the purposes of determining my(our) eligibility and if any information contained in this certification contains a material misstatement which is due to fraud or intentionally made, I(we) are subject to criminal penalty.**

Further, I/We state not

SIGNATURE OF MORTGAGOR

SIGNATURE OF COMORTGAGOR

Printed Name of MORTGAGOR

Printed Name of COMORTGAGOR

I, _____, do hereby certify that the foregoing is true and correct to the best of my knowledge and belief.

Sworn to and subscribed before me on the _____ day of _____, _____.

PERSONALIZED
SEAL

Notary Public Signature

Printed Name of Notary Public

SELLER/BUILDER AFFIDAVIT

I/We the undersigned, as an essential participant in an application for a single family mortgage revenue bond program loan located at _____ in connection with the Mortgagor's(s') purchase from the undersigned of a single family residence (the "Residence"), being first duly sworn hereby state the following:

I(We) certify that I(we) are the Seller (or Builder) of the Residence and that the Residence is a single family residence located at the above address.

I(We) certify that (1) the total amount to be paid to me(us), or to anyone related to me(us), or acting on my(our) behalf (such as a real estate agent) in connection with the purchase of the residence is \$_____ (total acquisition cost). This amount includes all amounts considered above under the paragraph entitled Total Acquisition Cost.

I(We) have not entered into any other contract or agreement with the Mortgagor(s), either expressed or implied, to perform additional construction on the residence or to transfer any additional property at additional cost other than personal property contained in the residence which are listed by item and amount and attached hereto and incorporated into this Affidavit.

I(We) acknowledge and understand that this Affidavit will be relied upon for purposes of determining the Mortgagor(s) eligibility.

Dated Signature of Seller or Signature or Builder Representative

Printed Name of Seller or Builder Representative

Dated Signature of Seller -If Seller Is Not an Individual, Type/print Name and Title and Name of Selling Entity. If Signator Is Not the Owner, Type/print Name and Title. Attach Copy of Power of Attorney.

Printed Name of Seller

Sworn to and subscribed before me on the _____ day of _____, _____.

PERSONALIZED
SEAL

Notary Public Signature

Printed Name of Notary Public

LENDER CERTIFICATION

_____ The Lender, certifies that as of the date of closing it has (1) reviewed the foregoing certifications of the Mortgagor(s) and the Seller/Builder and found them to be true and correct; (2) has charged the Mortgagor(s) Lender no more than required by the program; (3) that the mid-credit score used to qualify Mortgagor(s) meets program requirements; and (4) after completion of all underwriting, verifications and investigations has approved the mortgage loan. The Lender hereby agrees that it will immediately forward to the Servicer all information which it may receive during the life of the mortgage loan which (1) may indicate that the mortgagor(s) may have made a misrepresentation in applying or (2) may affect the mortgagor's continued eligibility. Lender also certifies that if new construction, Certificate of Occupancy Date is _____

Dated Signature of Authorized Officer

Telephone Number of Authorized Officer Print Name & Title of Authorized Officer

TAX EXEMPT FINANCING RIDER TO SECURITY INSTRUMENT

THIS TAX-EXEMPT FINANCING RIDER is made this _____ day of _____, _____, and is incorporated into and shall be deemed to amend and supplement the Mortgage or Security Deed ("Security Instrument") of the same date given by the undersigned ("Mortgagor") to secure Mortgagor's Note ("Note") to _____ ("Lender") of the same date and covering the property described in the Security Instrument and located at :

(Property Address)

In addition to the covenants and agreements made in the Security Instrument, Mortgagor and Lender further covenant and agree as follows:

Lender, or such of its successors or assigns as may by separate instrument assume responsibility for assuring compliance by the Mortgagor with the provisions of this Tax-Exempt Financing Rider, may require immediate payment in full of all sums secured by this Security Instrument if the loan is not paid in full and:

- (a) all or part of the property is sold or otherwise transferred by Mortgagor to a purchaser or other transferee:
 - (i) who cannot reasonably be expected to occupy the property as a principal residence within a reasonable time after the sale or transfer, all as provided in Sections 143 (c) and (i) (2) of the Internal Revenue Code; or
 - (ii) who has had a present ownership interest in a principal residence during any part of the three-year period ending on the date of the sale or transfer, all as provided in Sections 143 (d) and (i) (2) of the Internal Revenue Code (except that "100 percent" shall be substituted for "95 percent or more" where the latter appears in Section 143 (d) (1); or
 - (iii) at an acquisition cost which is greater than 90 percent of the average area purchase price (greater than 110 percent for targeted area residences), all as provided in Section 143(e) and (i) (2) of the Internal Revenue Code; or
 - (iv) who has a gross family income in excess of the applicable percentage of applicable median family income, as provided in Section 143 (f) and (i) (2) of the Internal Revenue Code; or
- (b) Mortgagor fails to occupy the property described in the mortgage without the prior written consent of the Mortgagee or its successors or assigns described at the beginning of this addendum ;or
- (c) Mortgagor omits or misrepresents a fact which is material with respect to the provisions of Section 143 of the Internal Revenue Code of 1986 in an application for this mortgage.

References are to the Internal Revenue Code as amended and in effect on the date of issuance of the Bonds, the proceeds of which will be used to finance the purchase of the Security Instrument and are deemed to include the implementing regulations.

DATE: _____

SIGNATURE OF MORTGAGOR

SIGNATURE OF MORTGAGOR

Printed Name OF MORTGAGOR

Printed Name OF MORTGAGOR

[DATE]

[PARTICIPATING LENDER]
[ADDRESS1]
[CITY, STATE ZIP]

Re: **Florida Housing Second Mortgage Loan**

Legally Enforceable Obligation Letter
For HUD ML 2013-14 and HUD Handbook 4155.1 5.B.5. a Gift Letter

Borrower(s): [BORROWER(S) NAME]
Property Address: [ADDRESS1]
[CITY, STATE ZIP]

Second Mortgage
Loan Amount: [SECOND MORTGAGE AMOUNT] Second Mortgage Loan Number: [2NDLOAN#]

Second Mortgage
Loan Terms: [LOAN TERMS]

First Mortgage
Loan Amount: [FIRST MORTGAGE LOAN AMOUNT] First Mortgage Loan Number: [LENDER LOAN#]

This letter documents that Florida Housing Finance Corporation (FHFC), as a governmental entity as recognized by the U.S. Department of Housing and Urban Development (HUD) and the Federal Housing Administration (FHA), has, at or before closing, incurred a legally enforceable obligation to provide its own funds for the borrower's Minimum Cash Investment. FHFC has agreed to extend the amount of funds as a second mortgage, repayable as indicated above. In addition to retaining this commitment letter in your loan file, you must also satisfy FHA insurability requirements for the First Mortgage Loan originated in conjunction with the Second Mortgage Loan referenced above.

FHFC hereby agrees to purchase the Second Mortgage Loan referenced above which will be funded, upon closing, by [PARTICIPATING LENDER]. Purchase of the Second Mortgage Loan will occur at the time of the First Mortgage Loan purchase by US Bank Home Mortgage and as specified in the Master Mortgage Purchase Agreement between [PARTICIPATING LENDER] and FHFC.

Sincerely,



David R. Westcott
Director of Homeownership Programs

Rick Scott, Governor

Board of Directors: Leonard Tylka, Chairman
Mary L. Demetree • John David Hawthorne Jr. • Brian Katz • Natacha Munilla • Bernard "Barney" Smith
Executive Director: Stephen P. Auger

[DATE]

[PARTICIPATING LENDER]
[ADDRESS1]
[CITY, STATE ZIP]

Re: **Florida Assist Second Mortgage Loan** Legally Enforceable Obligation Letter
For HUD ML 2013-14 and HUD Handbook 4155.1 5.B.5. a
Gift Letter

Borrower(s): [BORROWER(S) NAME]
Property Address: [ADDRESS1]
 [CITY, STATE ZIP]

Second Mortgage
Loan Amount: [SECOND MORTGAGE AMOUNT]
Second Mortgage
Loan Terms: [LOAN TERMS]
First Mortgage
Loan Amount: [FIRST MORTGAGE LOAN AMOUNT]
First Mortgage Loan # [LENDER LOAN#]

Please be advised that Florida Housing Finance Corporation (FHFC), a governmental entity as recognized by the U.S. Department of Housing and Urban Development (HUD) and the Federal Housing Administration (FHA), is providing down payment/closing cost assistance as a second mortgage loan, which is to be used in conjunction with the First Mortgage Loan originated through FHFC's First Time Homebuyer Program. Additional terms of the second mortgage are provided below:

- No interest will be charged.
- Repayment is deferred except in the event of the sale, transfer, satisfaction of the first mortgage, refinancing of the first mortgage or if borrower(s) cease to occupy the property as their primary residence, at which time the Florida Assist Second Mortgage Loan will become repayable in full.
- The Florida Assist loan will be secured by a second mortgage lien on the property referenced above.

Borrower Signature

Date

Co-Borrower/Spouse Signature

Date



David R. Westcott

Date

Director of Homeownership Programs

PROMISSORY NOTE
FLORIDA HOUSING FINANCE CORPORATION
FLORIDA ASSIST PROGRAM

Date _____ Loan Number _____ Loan Amount \$ _____ (Principal)

Property Street Address _____ City _____ State Florida Zip Code _____

1. BORROWER'S PROMISE TO PAY

In return for a loan that I (the "Borrower") have received, I promise to pay U.S. _____ Dollars (\$) _____ (this amount is called "Principal") to the order of the FLORIDA HOUSING FINANCE CORPORATION, whose address is 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329 (the "Lender"), or to any other legal holder of the Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder."

2. INTEREST

As long as I am not in default, the interest on this Note shall be zero percent (0%) per annum; however, if I fail to pay this Note as required, interest shall be due on the unpaid Principal balance at the rate of twelve percent (12%) per annum from the date when payment of this Note was due until I pay it in full.

3. PAYMENT

(A) I understand that repayment of the Principal under this Note shall be deferred for the term of the First Mortgage loan (as that term is defined in the Mortgage) or until _____, 20__, the date the last payment is due on the First Mortgage loan (that date is the "Maturity Date" of this Note). I agree to repay the Principal amount of this Note in full on the Maturity Date. I will make my payment at the Lender's address stated in Section 1 above, or at a different place if required by the Note Holder.

(B) I also understand that if at any time before the Maturity Date: (a) I sell, transfer or dispose of the Property or Home, either voluntarily or involuntarily; (b) I fail or cease to occupy the Home as my primary residence; (c) I die, or, if I am married, my surviving spouse dies; or (d) I refinance or satisfy the First Mortgage loan, then, upon the occurrence of any such event, the Principal amount of this Note shall become immediately due and payable in full without notice or demand.

4. BORROWER'S PAYMENT BEFORE PAYMENT IS DUE

I have the right to make payment, in full, of the Principal at any time before it is due. This payment is known as a "full prepayment." No partial prepayment of the Principal is permitted. When I make a full prepayment, I will tell the Note Holder in a letter that I am doing so.

5. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) **Default** – If I do not pay the Principal in full as required in Section 3 above, I will be in default. If I am in default, the Note Holder may enforce this Note by any lawful means and require me to pay the Note Holder's costs and expenses as described in (D) below.

(B) **Notice of Default** – If I am in default, the Note Holder may, but is not required to, send me a written notice.

(C) **No Waiver By Note Holder** – Even if, at a time when I am in default, the Note Holder does not take action to enforce this Note, the Note Holder will still have the right to do so at a later time if I am in default.

THIS NOTE AND THE MORTGAGE SECURING THIS NOTE ARISE OUT OF OR ARE GIVEN TO SECURE THE REPAYMENT OF A LOAN ISSUED IN CONNECTION WITH THE FINANCING OF HOUSING AND ARE EXEMPT FROM DOCUMENTARY STAMP TAX AND INTANGIBLE TAX PURSUANT TO SECTION 420.513(1), FLORIDA STATUTES

(D) **Payment of Note Holder's Costs and Expense** – If the Note Holder takes actions to enforce this Note, the Note Holder will have the right to be paid back for all of its costs and expenses, including but not limited to reasonable attorney's fees, whether incurred by the Note Holder before filing suit, at trial or an appeal.

(E)

6. THIS NOTE SECURED BY A MORTGAGE

In addition to the protections given to the Note Holder under this Note, a Mortgage, dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note before the Maturity Date. This Note and the Mortgage are non-assumable.

7. BORROWER'S WAIVERS

I waive my rights that require the Note Holder to do certain things. Those things are (a) to demand payment of amount due (known as "presentment"); (b) to give notice that amounts due have not been paid (known as "notice of dishonor"); (c) to obtain an official certification of nonpayment (known as a "protest"). Any co-signer, guarantor, surety or endorser who agrees to keep the promises I have made in the Note, by signing this Note or by executing a separate agreement to make payments to the Note Holder if I fail to keep my promises under this Note, or who signs this Note to transfer it to someone else waives these rights.

8. GIVING OF NOTICES

Any notice that must be given to me under this Note will be given by delivering it or by mailing it by certified or registered mail, addressed to me at the Property Address above. A notice will be delivered or mailed to me at a different address if I give the Note Holder a notice in writing of my different address.

Any notices that must be given to the Note Holder under this Note will be given by mailing it by certified or registered mail to the Note Holder at the Lender's address stated in Section 1 above. A notice will be mailed to the Note Holder at a different address if I am given a notice of that different address.

9. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note (as described in Section 7 above) is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together and may enforce its rights under this Note against all of us together and may enforce its rights against any of us in any order. This means that any one of us may be required to pay all of the amounts owed under this Note.

**NOTICE TO BORROWER
DO NOT SIGN THIS NOTICE IF IT CONTAINS BLANK SPACES.
ALL SPACES SHOULD BE COMPLETED BEFORE YOU SIGN.**

BORROWER

Printed Name of Borrower

BORROWER

Printed Name of Borrower

BORROWER

Printed Name of Borrower

BORROWER

Printed Name of Borrower

(SIGN ORIGINAL ONLY)

This instrument was prepared by:

Rev 7-12-10

**FLORIDA HOUSING FINANCE CORPORATION
FLORIDA ASSIST PROGRAM
SUBORDINATE MORTGAGE**

THIS SUBORDINATE MORTGAGE (this "Mortgage") is made this ____ day of _____, 20__, by _____ (herein, the "Borrower" or "Mortgagor") whose address is _____ This Mortgage is given to **Florida Housing Finance Corporation**, a public corporation, whose address is 227 North Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329 (herein, the "Lender" or "Mortgagee").

The Borrower is indebted to the Lender in the principal amount of _____ Dollars (U.S. \$ _____). This debt is evidenced by the Borrower's Promissory Note (the "Note") dated the same date as this Mortgage.

The Note provides that repayment of the indebtedness evidenced thereby shall be deferred for the term of the First Mortgage loan (as that term is defined below) or until _____, 20__, the date the last payment is due on the First Mortgage loan (that date is the "Maturity Date" of the Note). The Note is due and payable in full on the Maturity Date. The Note also provides that if at any time before the Maturity Date, the Borrower (a) sells, transfers or disposes of the Property or Home, either voluntarily or involuntarily, (b) fails or ceases to occupy the Home as the Borrower's primary residence, (c) dies, or, if married, the Borrower's surviving spouse dies, or (d) refinances or satisfies the First Mortgage loan, then, upon the occurrence of any such event, the Note shall become immediately due and payable in full without notice or demand.

The "First Mortgage" loan referred to in this Mortgage and in the Note means the loan being made to the Borrower on or about the same date as this Mortgage by _____ (the "First Mortgage Lender") for the purchase of the Property, which mortgage loan shall be secured by a first mortgage lien on the Property (the "First Mortgage") in favor of the First Mortgage Lender.

The Borrower applied to the First Mortgage Lender for both the First Mortgage loan and the subordinate loan evidenced by the Note and secured by this Mortgage.

This Mortgage is subordinate to the First Mortgage.

TO SECURE to Mortgagee 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 Mortgagor herein contained, the Mortgagor does hereby mortgage, grant and convey to Mortgagee the following described Property located in the County of _____, State of Florida (insert legal description):

THIS MORTGAGE AND THE NOTE SECURED BY THIS MORTGAGE ARISE OUT OF OR ARE GIVEN TO SECURE THE REPAYMENT OF A LOAN ISSUED IN CONNECTION WITH THE FINANCING OF HOUSING AND ARE EXEMPT FROM DOCUMENTARY STAMP TAX AND INTANGIBLE TAX PURSUANT TO SECTION 420.513(1), FLORIDA STATUTES.

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" or "Home."

MORTGAGOR COVENANTS represents and warrants to Mortgagee and its successors and assigns that Mortgagor is indefeasibly seized of the estate hereby conveyed in fee simple; has full right to mortgage, grant and convey the Property; and that the Property is unencumbered, except for other encumbrances of record. Mortgagor warrants title to the Property and will defend same against the lawful claims and demands of all persons whomsoever.

PROVIDED ALWAYS that if Mortgagor shall pay to Mortgagee, all sums due or to become due under the Note or this Mortgage and shall perform, comply with, and abide by each and every stipulation, agreement, condition, and covenant of the Note and of this Mortgage, and shall pay all taxes that may accrue on the Property and all costs and expenses that Mortgagee may be put to in collecting the Note and in foreclosure of this Mortgage or otherwise, including costs and reasonable attorney's fee, then this Mortgage and the estate hereby created shall cease and be null and void.

MORTGAGOR FURTHER COVENANTS and agrees with Mortgagee as follows:

1. Payment. Mortgagor shall promptly pay when due the principal amount evidenced by the Note and all other sums of money payable by virtue of the Note or this Mortgage.

2. Funds for Taxes and Insurance. Subject to applicable law or a written waiver by Mortgagee, Mortgagor shall pay to Mortgagee with the monthly payments of principal and interest under the Note, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessment, if any) plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Mortgagee on the basis of assessments and bills and reasonable estimates thereof. Mortgagor shall not be obligated to make such payments of Funds to Mortgagee to the extent that Mortgagor makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.

If Mortgagor pays Funds to Mortgagee, the Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency. Mortgagee shall apply these funds to pay said taxes, assessments, insurance premiums and ground rents. Mortgagee may not charge for so holding and applying the Funds, analyzing said account or verifying and compiling said assessments and bills, unless Mortgagee pays Mortgagor interest on the Funds and applicable law permits Mortgagee to make such a charge. Mortgagor and Mortgagee may agree in writing at the time of execution of this Mortgage that interest or earnings on the Funds shall be paid to Mortgagor, and unless such agreement is made or applicable law requires such interest to be paid, Mortgagee shall not be required to pay Mortgagor any interest or earnings on the Funds, Mortgagee shall give to Mortgagor, without charge, an annual accounting of the Funds showing credits and debits to the Funds and purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage.

If the amount of the Funds held by Mortgagee, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments, insurance premiums and ground rent, shall exceed the amount required to pay said taxes, assessments, insurance premiums and ground rents as they fall due, such excess shall be, at Mortgagor's option, either promptly repaid to Mortgagor or credited to Mortgagor on monthly installments of Funds.

If the amount of the Funds held by Mortgagee are not sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Mortgagor shall pay to Mortgagee any amount necessary to make up the deficiency in one or more payments, as Mortgagee may require.

Upon payment in full of all sums secured by this Mortgage, Mortgagee shall promptly refund to Mortgagor any Funds held by Mortgagee, if under paragraph 17 hereof the Property is sold or the Property is otherwise acquired by Mortgagee, Mortgagee shall apply, no later than immediately prior to the sale of Property or its acquisition by Mortgagee, any Funds held by Mortgagee as a credit against the sums secured by this Mortgage.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Mortgagee under the Note and paragraphs 1 and 2 hereof shall be applied by Mortgagee first in payment of amounts payable to Mortgagee by Mortgagor under paragraph 2 hereof; then to the interest due under the Note; then to principal of the Note; then to any other monies due under the Note or this Mortgage in that order.

4. Prior Mortgages and Deeds of Trust; Charges; Liens. Mortgagor shall perform all of Mortgagor'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 Mortgagor's covenants to make payments when due. Mortgagor shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which have attained or may attain a priority over this Mortgage, and leasehold payments or ground rents, if any

5. Hazard Insurance. Mortgagor 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 Mortgagee may require and in such amounts and for such periods as Mortgagee may require. The insurance carrier providing the insurance shall be chosen by the Mortgagor subject to approval by Mortgagee; **provided**, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Mortgagee and shall include a standard mortgage clause in favor of, and in a form acceptable to Mortgagee. Mortgagee shall have the right to hold the policies and renewals thereof, subject to the terms of 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 Mortgagor shall give prompt notice to the insurance carrier and to the Mortgagee. Mortgagee may make proof of loss if not made promptly by the Mortgagor. If the Property is abandoned by the Mortgagor, or if the Mortgagor fails to respond to Mortgagee within thirty (30) days from the date notice is mailed by Mortgagee to the Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums, Planned Unit Developments. Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Mortgagor shall perform all of Mortgagor'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 any other documents.

7. Protection of Mortgagee's Security. If Mortgagor fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, then Mortgagee, at Mortgagee's option, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Mortgagee's interest in the Property. If Mortgagor is required to maintain mortgage insurance as a condition of this Mortgage or any other mortgage or deed of trust, Mortgagor 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 Mortgagor's written agreement or applicable law. Any amounts disbursed by Mortgagee pursuant to this paragraph, with interest thereon, at the rate of twelve percent (12%) per annum, shall become additional indebtedness of the Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree otherwise, such amounts shall be payable upon demand. Nothing contained in this Paragraph 5 shall require Mortgagee to incur any expense or take any action hereunder.

8. Inspection. Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property upon notice to Mortgagor specifying reasonable cause therefore related to the Lender's interest in the Property.

9. Condemnation. 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 to the extent of the unpaid balance of all sums due or to become due under the Note or this Mortgage, are hereby assigned and shall be paid to Mortgagee, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

10. Mortgagor Not Released; Forbearance by Mortgagee Not a Waiver. No extension of the time for payment or modification of the terms or conditions of the Note or this Mortgage granted to Mortgagor shall operate or release Mortgagor, in any manner, from liability under the Note or this Mortgage. Mortgagee shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Mortgagor and Mortgagor's successors in interest. Any forbearance by Mortgagee in exercising any right 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.

11. Successors and Assigns Bound; Joint and Several Liability; Co-Signers. The covenants and agreements and references to Mortgagor and Mortgagee herein contained shall bind, and the rights hereunder shall inure to, their respective heirs, successors and assigns, subject to the provisions of Paragraph 16 hereof. All covenants and agreements of Mortgagor shall be joint and several. Any Mortgagor who co-signs this Mortgage, but does not execute the Note is co-signing this Mortgage only to mortgage, grant and convey that Mortgagor's interest in the property to Mortgagee under the terms of this Mortgage; is not personally liable on the Note or under this Mortgage; agrees that Mortgagee and any other Mortgagor 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 Mortgagor's consent and without releasing that Mortgagor or modifying this Mortgage as to that Mortgagor's interest in the Property. This Mortgage and the Note secured thereby are non-assumable, except as may be provided in Paragraph 16 hereof.

12. Notice. Except for any notice required under applicable law to be given in another manner: (a) any notice to

the Mortgagor provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail at the Property Address or at such other address as Mortgagor may designate by notice to the Mortgagee as provided herein, and (b) any notice to Mortgagee shall be given by certified mail, to the address stated herein with a copy to U. S. Bank, N. A. , 17500 Rockside Road, Bedford, OH 44146, or to such other address as Mortgagee may designate by notice to the Mortgagor as provided herein.

13. Governing Law; Severability; Costs. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. 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 end 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.

14. Mortgagor's Copy. Mortgagor shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation thereof.

15. Rehabilitation Loan Agreement. Mortgagor shall fulfill all of Mortgagor's obligations under any home rehabilitation, improvement, repair, or other loan agreement which is entered into with Mortgagee. At Mortgagee's option, Mortgagor shall execute and deliver to Mortgagee, in a form acceptable to Mortgagee, an assignment of any rights, claims or defenses which Mortgagor may have against parties who supply labor, materials or services in connection with improvements made to the Property.

16. Transfer of the Property. 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 Mortgagor is divested of title by judicial sale, levy or other proceeding, or if foreclosure action is instituted against the Property, or if a prior mortgage is refinanced or satisfied, or if the Property is leased or rented, all sums secured by this Mortgage shall immediately become due and payable. Provided, however, a transfer to person who is an heir or devisee of Mortgagor, upon the death of Mortgagor, shall be permissible provided that the Note and this Mortgage are not then in default and that said person: (a) occupies the Property as their principal place of residence; (b) qualifies under the income eligibility requirements set forth in Rule 67-45, Florida Administrative Code; and (c) executes such documents (including without limitation an agreement assuming the obligations under the Note and this Mortgage) and pays such fees and charges as Mortgagee may reasonably require. Mortgagee shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with Paragraph 12 hereof within which Mortgagor must pay all sums secured by this Mortgage. If said sums are not paid in full prior to the expiration of this period, Mortgagee may invoke any remedies permitted by this Mortgage without further notice or demand.

17. Acceleration; Remedies. Upon the Mortgagor's breach of any covenant or agreement of the Mortgagor in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, or in the event that the Mortgagor shall have made a material misrepresentation or material omission in Mortgagor's application for the loan evidenced by the Note, Mortgagee, 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, Mortgagee shall give notice to Mortgagor as provided in Paragraph 10 hereof 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 Mortgagor, 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 Mortgagor 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 Mortgagor acceleration and foreclosure. Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, court costs, and costs of documentary evidence, abstracts and title reports.

Catastrophic Exception: "In the event the Lender and the servicer, at their sole and absolute discretion, after a loss mitigation analysis, find that a catastrophic event, including but not limited to the Borrower's death or extended illness, or the extended illness of a close family member who depends primarily on the Borrower for support has occurred which substantially and permanently impairs their ability to repay this Note and requires them to sell the Property for an amount less than the Note, that portion of the Note which cannot be satisfied from the proceeds of such sale shall be released."

18. Mortgagor's Right to Reinstate. Notwithstanding the acceleration of the sums secured by this Mortgage due to the Mortgagor's breach, the Mortgagor shall have the right to have any proceedings begun by Mortgagee to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Mortgagor pays Mortgagee all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b)

Mortgagor cures all breaches of any other covenants or agreements of Mortgagor contained in this Mortgage; (c) Mortgagor pays all reasonable expenses incurred by Mortgagee in enforcing the covenants and agreements of Mortgagor contained in this Mortgage, and in enforcing Mortgagee's remedies as provided in Paragraph 17 hereof, including, but not limited to, reasonable attorneys' fees and court costs; and (d) the Mortgagor takes such action as Mortgagee may reasonably require to assure that the lien of this Mortgage, Mortgagee's interest in the Property and the Mortgagor's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Mortgagor, this Mortgage and the obligations secured shall hereby remain in full force and effect as if no acceleration had occurred.

19. Assignment of Revenues; Appointment of Receiver. As additional security hereunder, Mortgagor hereby assigns to Mortgagee the revenues of the Property, provided that Mortgagor shall, prior to acceleration under Paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such revenues as they become due and payable. Upon acceleration under Paragraph 17 hereof or abandonment of the Property, Mortgagee 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 revenues of the Property including those past due. All revenues 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 the reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those revenues actually received.

20. Release. Upon payment of all sums secured by this Mortgage, Mortgagee shall prepare a written satisfaction of this Mortgage. The Mortgagee shall not bear the cost of recording the Satisfaction of Mortgage; it shall be the responsibility of the Mortgagor.

21. Subordination. Lender and Borrower acknowledge and agree that this Mortgage is subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Mortgage and to all advances heretofore made or which may hereafter be made pursuant to the First Mortgage including all sums advanced for the purpose of (a) protecting or further securing the lien of the First Mortgage, curing defaults by the Borrower under the First Mortgage, or for any other purpose expressly permitted by the First Mortgage or (b) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. The terms and provisions of the First Mortgage are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of the First Mortgage, any provisions herein or any provisions in any other collateral agreement restricting the use of the Property to low or moderate income households or otherwise 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 or assigns (other than the Borrower or a related entity of 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.

Further, if the Senior Lien Holder acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Security Instrument shall terminate at the discretion of the Lender upon the Senior Lien Holder's acquisition of title, such termination will not be unreasonably withheld provided that (i) the Lender has been given written notice of a default under the First Mortgage, (ii) the Lender shall not have cured the default under the First Mortgage within the 30-day period provided in such notice sent to the Lender, and (iii) there is not sufficient equity in the Property to satisfy the senior lien (assuming reasonable costs) and the lien of this loan.

22. Attorneys' 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.

23. Special Florida Assist Program Covenants, Warrants, Representations. Mortgagor covenants, represents and warrants to Mortgagee that: (a) the Mortgagor, along with his/her/their family, will occupy the Property as their principal residence; (b) the Property is a single-family residence and is an eligible homeownership activity under Rule 67-45, Florida Administrative Code; and (c) Mortgagor's total family income at the time of its application for the Loan was no greater than eighty percent (80%) of the area median income, so that Mortgagor is a Low-Income person or household within the meaning of Rule 67-45, Florida Administrative Code.

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER
SUPERIOR MORTGAGES OR DEEDS OF TRUST.**

Mortgagee requests the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice, at Mortgagee's address set forth on page one of this Mortgage of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage on the date first above written.

**NOTICE TO MORTGAGOR
DO NOT SIGN THIS MORTGAGE IF IT CONTAINS BLANK SPACES.
ALL SPACES SHOULD BE COMPLETED BEFORE YOU SIGN.**

Signed, sealed in the presence of and delivered:

Printed Name of Witness

Printed Name of Mortgagor

Printed Name of Witness

Printed Name of Witness

Printed Name of Mortgagor

Printed Name of Witness

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by _____, Mortgagor(s). Said person(s) is (are) personally known to me or has (have) produced a valid driver's license as identification.

Notary Public; State of Florida
Print Name: _____
My Commission Expires: _____

[DATE]

[PARTICIPATING LENDER]
[ADDRESS1]
[CITY, STATE ZIP]

Re: **Homeownership Assistance for Moderate Income (HAMI)
Second Mortgage Loan**

Legally Enforceable Obligation Letter
For HUD ML 2013-14 and HUD Handbook 4155.1 5.B.5. a Gift Letter

Borrower(s): [BORROWER(S) NAME]
Property Address: [ADDRESS1]
[CITY, STATE ZIP]
Second Mortgage
Loan Amount: [SECOND MORTGAGE AMOUNT]
Second Mortgage
Loan Terms: [LOAN TERMS]
First Mortgage
Loan Amount: [FIRST MORTGAGE LOAN AMOUNT]
First Mortgage Loan #: [LENDER LOAN #]

Please be advised that Florida Housing Finance Corporation (FHFC), a governmental entity as recognized by the U.S. Department of Housing and Urban Development (HUD) and the Federal Housing Administration (FHA), is providing down payment/closing cost assistance as a second mortgage loan, which is to be used in conjunction with the First Mortgage Loan originated through FHFC's First Time Homebuyer Program. Additional terms of the second mortgage are provided below:

- Fully amortizing 10-year term with an interest rate of 5%.
- The unpaid balance of the HAMI loan will become repayable in full in the event of the sale, transfer, satisfaction of the first mortgage, refinancing of the first mortgage or if borrower(s) cease to occupy the property as their primary residence.
- The HAMI loan will be secured by a second mortgage lien on the property referenced above.

Borrower Signature

Date

Co-Borrower/Spouse Signature

Date

David R. Westcott

David R. Westcott
Director of Homeownership Programs

Date

Loan Amount \$ _____ (Principal)
PROMISSORY NOTE
FLORIDA HOUSING FINANCE CORPORATION
HOMEOWNERSHIP ASSISTANCE FOR MODERATE INCOME LOAN PROGRAM

_____, _____ (Date) County: _____, Florida

Property Street Address

City

State

Zip Code

1. MORTGAGOR'S PROMISE TO PAY

I/We promise to pay _____
(\$ _____) (this amount will be called "principal") to the order of the FLORIDA HOUSING FINANCE CORPORATION, (the "Lender"), a public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida an agency and instrumentality of the State of Florida, whose address is 227 N. Bronough Street, Suite 5000, Tallahassee, Florida 32301-1329 (or to any other legal holder of this Note). The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note will be called the "Note Holder."

2. INTEREST

Interest on this Note shall be _____. Interest will be charged on the date hereof on unpaid principal until the full amount has been paid.

3. PAYMENTS

Installments of principal and interest in the amount of U.S. \$ _____ shall be due and payable monthly beginning on the ____ day of _____, 20____, with a like installment due and payable on the ____ day of each succeeding month thereafter until all principal, interest and any other charges described in this Note are paid in full. If on _____ (the "Maturity Date"), I still owe amounts under this Note, I will pay all those amounts in full, on that date. In the event that I sell, transfer, or rent my home, or refinance or satisfy the first mortgage loan or another default occurs under the Second Mortgage (described in Section 6 below), I agree to immediately pay the entire sum due under this Note. I will make my payments to U. S. Bank, N.A., 17500 Rockside Road, Bedford, OH 44146 or at a different place if required by the Note Holder.

4. MORTGAGOR'S PAYMENT BEFORE PAYMENT IS DUE

I have the right to make payment, in full, on this Note at any time before it is due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the Note Holder in a letter that I am doing so. A prepayment of the entire unpaid principal is known as a "full prepayment." A prepayment of only part of the unpaid principal is known as a "partial prepayment."

5. MORTGAGOR'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payments - If the Note Holder has not received the full amount of any of my monthly payments by the end of fifteen (15) calendar days after the date it is due, I will promptly pay a late charge to the Note Holder. The amount of the charge will be 4% of my overdue payment. I will pay this late charge only once on any late payment.

(B) Notice from Note Holder - If I do not pay any amount when due, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date I will be in default. That date must be at least 10 days after the date on which the notice is delivered or mailed to me.

(C) Default - If I do not pay the overdue amount by the date stated in the notice described in (B) above, I will be in default. If I am in default, the Note Holder may require me to pay immediately the full amount of principal, which has not been paid, and all the interest that I owe on that amount. Even if, at a time when I am in default the Note Holder does not require me to pay immediately in full as described above, the Note Holder will have the right to do so if I am in default at a later time.

(D) Payment of Note Holder's Costs and Expenses -If the Note Holder takes such actions as described above, the Note Holder will have the right to be paid back for all of its costs and expenses, including but not limited to reasonable attorney's fees.

6. THIS NOTE SECURED BY A MORTGAGE

In addition to the protections given to the Note Holder under this Note, a Second Mortgage, dated the same day as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note .That Second Mortgage describes how and under what conditions I may be required to make immediate payment in full of all amounts that I owe under this Note. Some of those conditions are described as follows: Transfer of the Property or a Beneficial Interest in Mortgagor. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Mortgagor is sold or transferred and Mortgagor is not a natural person), Lender shall, require immediate payment in full of all sums secured by this Second Mortgage. Lender shall give Mortgagor notice of any acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered to or mailed within which Mortgagor must pay all sums secured by this Second Mortgage. If Mortgagor fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Second Mortgage without further notice or demand on Mortgagor. **This Note and the Second Mortgage are non-assumable.**

7. MORTGAGOR'S WAIVERS

I waive my rights to require the Note Holder to do certain things. Those things are (A) to demand payment of amount due (known as "presentment"); (B) to give notice that amounts due have not been paid (known as "notice of dishonor"); (C) to obtain an official certification of nonpayment (known as a "protest"). Any co-signer, guarantor, surety or endorser who agrees to keep the promises I have made in this Note, by signing this Note or by executing a separate agreement to make payments to the Note Holder if I fail to keep my promises under this Note, or who signs this Note to transfer it to someone else also waives these rights.

8. GIVING OF NOTICES

Any notice that must be given to me under this Note will be given by delivering it or by mailing it by certified mail, postage prepaid, addressed to me at the Property Address above. A notice will be delivered or mailed to me at a different address if I give the Note Holder a notice in writing of my different address. Any notices that must be given to the Note Holder under this Note will be given by mailing it by certified mail, postage prepaid, to the Note Holder at the Lender's address stated in Section 1 above. A notice will be mailed to the Note Holder at a different address if I am given a notice of that different address.

9. RESPONSIBILITY OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each of us is fully and personally obligated to pay the full amount owed and to keep all of the promises made in this Note. Any guarantor, surety, or endorser of this Note (as described in Section 7 above) is also obligated to do these things. The Note Holder may enforce its rights under this Note against each of us individually or against all of us together and may enforce its rights against any of us in any order. This means that any one of us may be required to pay all of the amounts owed under this Note.

**NOTICE TO MORTGAGOR
DO NOT SIGN THIS NOTE IF IT CONTAINS BLANK SPACES.
ALL SPACES SHOULD BE COMPLETED BEFORE YOU SIGN.**

BORROWER

Printed Name of BORROWER

BORROWER

Printed Name of BORROWER

BORROWER

Printed Name of BORROWER

BORROWER

Printed Name of BORROWER

(SIGN ORIGINAL ONLY)

This instrument was prepared by:

Rev 7-12-10

----- SPACE ABOVE THIS LINE RESERVED FOR RECORDER -----

**SECOND MORTGAGE
FLORIDA HOUSING FINANCE CORPORATION
HOMEOWNERSHIP ASSISTANCE for MODERATE INCOME LOAN PROGRAM**

THIS SECOND MORTGAGE (this "Mortgage") is made this _____ day of _____, between the Mortgagor, _____ (herein the "Borrower") and the Mortgagee, the **Florida Housing Finance Corporation**, an agency and instrumentality of the State of Florida public corporation and a public body corporate and politic duly created and existing under the laws of the State of Florida, whose address is 227 N. Bronough Street, Suite 5000, Tallahassee, Florida 33201-1329 (herein the "Lender").

WHEREAS, the Borrower has applied to _____ (the "First Mortgage Lender") for a loan under the Lender's Single Family Mortgage Revenue Bond Program for the purchase of the Property (as defined herein), which Mortgage Loan shall be secured by a first mortgage lien (the "First Mortgage") in favor of the First Mortgage Lender;

WHEREAS, the Borrower has applied to the Lender for a second mortgage loan (the "Second Mortgage Loan") under the Florida Housing Finance Corporation/Homeownership Assistance for Moderate Income Loan Program (the "HAMI Loan Program") in the original principal amount of (\$ _____) (the "Loan Amount");

WHEREAS, the Borrower, along together with his/her/their Borrower's family, intends to reside as a household in the Property (as defined herein), which Property is a single-family residence;

WHEREAS, the Borrower is participating in the Lender's Single Family Mortgage Revenue Bond Program;

WHEREAS, the Borrower's is participating in Lender's Mortgage Revenue Bond Program, and the Lender has agreed to extend and has extended the Second Mortgage Loan to the Borrower pursuant to said property the HAMI Loan Program; and

WHEREAS, the Second Mortgage Loan indebtedness is evidenced by that Borrower certain Promissory Note of even date herewith is indebted to Lender in the principal sum of (\$ _____) Loan Amount made and executed by the Borrower to and in favor of the Lender (the "Note") which indebtedness is evidenced by the borrower's Promissory Note dated _____, and extensions and renewals dated thereof (herein "Note"), providing for payment of principal indebtedness;

NOW THEREFORE, in consideration of the Second Mortgage Loan and other valuable consideration, the Borrower covenants and agrees with the Lender as follows:

THIS MORTGAGE AND THE NOTE SECURED BY THIS MORTGAGE ARISE OUT OF OR ARE GIVEN TO SECURE THE REPAYMENT OF A LOAN ISSUED IN CONNECTION WITH THE FINANCING OF HOUSING AND ARE EXEMPT FROM DOCUMENTARY STAMP TAX AND INTANGIBLE TAX PURSUANT TO SECTION 420.513(1), FLORIDA STATUTES.

TO SECURE to the Lender 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 Lender the following described property located in the State of Florida:

Which has the address of:

(Street Address)

(City)

(Zip Code)

(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 Lender 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, and that the Property is unencumbered, except for the mortgage lien of the First Mortgage in favor of First Mortgage Lender, and for other encumbrances of record. Borrower covenants, represents and warrants to the Lender 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 Lender as follows:

1. Payment. The Borrower shall promptly pay when due the indebtedness evidenced by this 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, 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. Hazard Insurance. 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 Lender may require and in such amounts and for such periods as the Lender may require.

The insurance carrier providing the insurance shall be chosen by the Borrower subject to approval by the Lender; provided that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to the Lender and shall include a standard mortgage clause in favor of, and in a form acceptable to the Lender. The Lender shall have the right to hold the policies and renewals thereof, subject to the terms of the First Mortgage and any other mortgage, 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 Lender. The Lender 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 Lender within thirty (30) days from the date notice is mailed by the Lender to the Borrower that the insurance carrier offers to settle a claim for insurance benefits, the Lender is authorized to collect and apply the insurance proceeds at the Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

4. Preservation and Maintenance of Property; Leaseholds; Condominiums, Planned Unit Developments. The Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. 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, and constituent documents.

5. Protection of Lender'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 Lender's interest in the Property, then the Lender, at the Lender's option, upon notice to the Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect the Lender's interest in the Property. If the Lender required mortgage insurance as a condition of making the Second Mortgage 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 Lender's written agreement or applicable law.

Any amounts disbursed by the Lender pursuant to this Paragraph 5 with interest thereon, at the rate of four percent (4%) per annum, shall become additional indebtedness of the Borrower secured by this Mortgage. Unless the Borrower and the Lender agree to other terms of payment, such amounts shall be payable upon notice from the Lender to the Borrower requesting payment thereof. Nothing contained in this Paragraph 5 shall require the Lender to incur any expense or take any action hereunder.

6. Inspection. The Lender may make or cause to be made reasonable entries upon and inspections of the Property; provided that the Lender shall give the Borrower notice prior to any such inspection specifying reasonable cause therefore related to the Lender's interest in the Property.

7. Condemnation. 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 Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

8. Borrower Not Released; Forbearance by Lender Not a Waiver. Extension of the time for payment or modification of the sums secured by this Mortgage granted by the Lender 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 Lender shall not be required to commence proceedings against such successor or refuse to extend time for repayment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and the Borrower's successors in interest. Any forbearance by the Lender in exercising any right 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 bind, and the rights hereunder shall inure to, the respective successors and assigns of the Lender 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 co-signs 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 Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender 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. Notice. 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 Lender as provided herein, and (b) any notice to the Lender shall be given by certified mail, postage prepaid, to the Lender's address stated on page 1 hereof with a copy to U. S. Bank, N.A., 17500 Rockside Rd., Bedford, OH 44146, or to such other address as the Lender 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 Lender 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 end 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. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation thereof.

13. Rehabilitation Loan Agreement. Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair or other loan agreement which Borrower enters into with the First Mortgage Lender, the Lender, at the Lender's option, may require Borrower to execute and deliver to the Lender, in a form acceptable to the Lender, 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. Transfer of the Property. 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 First Mortgage is satisfied or refinanced, or if the Property is leased or rented, all sums secured by this Mortgage shall immediately become due and payable as provided herein.

Lender or Servicer on behalf of the Lender shall give Borrower notice of any acceleration. The acceleration notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with 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 Lender 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 materials omissions in his/her/their application for a Down Payment Assistance Loan, the Lender, at the Lender'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 Lender shall give notice to the Borrower as provided in Paragraph 10 hereof 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 collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees, court costs, and costs of documentary evidence, abstracts and title reports.

16. Borrower's Right to Reinstate. Notwithstanding the Lender'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 Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) the Borrower pays the Lender 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 Lender in enforcing the covenants and agreements of the Borrower contained in this Mortgage, and in enforcing the Lender'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 Lender may reasonably require to assure that the lien of this Mortgage, the Lender'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. Assignment of Revenues; Appointment of Receiver. As additional security hereunder, the Borrower hereby assigns to the Lender 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 Lender 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. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage. Borrower shall pay all costs of preparation or recordation of the satisfaction, if any.

19. Attorneys' 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 Down Payment Assistance Program Covenants, Representations. The Borrower covenants, represents and warrants to the Lender that: (a) the Borrower, along with his/her/their family, intends to reside as a household in the Property; (b) the Property is a single-family residence and (c) the Borrower's is participating in the Lender's Single Family Mortgage Revenue Bond Program and its Down Payment Assistance Loan Program thereunder.

21. Subordination. Lender and Borrower acknowledge and agree that this Security Instrument Mortgage is subject and subordinate in all respects to the liens, terms, covenants and conditions of the First Mortgage and to all advances heretofore made or which may hereafter be made pursuant to the First Mortgage including all sums advanced for the purpose of (a) protecting or further securing the lien of the First Mortgage, curing defaults by the Borrower under the First Mortgage, or for any other purpose expressly permitted by the First Mortgage or (b) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. The terms and provisions of the First Mortgage are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of the First Mortgage, any provisions herein or any provisions in any other collateral agreement restricting the use of the Property to low or moderate income households or otherwise 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 or assigns (other than the Borrower or a related entity of 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.

Further, if the Senior Lien First Mortgage Lender acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Security Instrument Mortgage shall terminate at the discretion of the Lender upon the Senior Lien First Mortgage Lender's acquisition of title, such termination will not be unreasonably withheld provided that (i) the Lender has been given written notice of a default under the First Mortgage, (ii) the Lender shall not have cured the default under the First Mortgage within the 30 day period provided in such notice sent to the Lender, and (iii) there is not sufficient equity in the Property to satisfy the senior First Mortgage lien (assuming reasonable costs) and the lien of this Down Payment Assistance Second Mortgage Loan.

IN WITNESS WHEREOF, the Borrower has executed this Mortgage.

**NOTICE TO BORROWER
DO NOT SIGN THIS MORTGAGE IF IT CONTAINS BLANK SPACES.
ALL SPACES SHOULD BE COMPLETED BEFORE YOU SIGN.**

Signature of Mortgagor

Signature of Mortgagor

Printed Name of Mortgagor

Printed Name of Mortgagor

Signature of Witness

Printed Name of Witness

Signature of Mortgagor

Signature of Mortgagor

Printed Name of Mortgagor

Printed Name of Mortgagor

Signature of Witness

Printed Name of Witness

STATE OF FLORIDA
COUNTY OF _____

Sworn to and subscribed before me in the county and state above written on _____ personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

Signature: _____

Affiant _____ Known _____ Unknown _____

ID Produced _____

(Seal)

7-12-10