

5E-1

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: October 19, 2010 [] Consent [X] Regular

Department: Housing and Community Development

Submitted By: Housing and Community Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Neighborhood Stabilization Program (NSP) residential first and second mortgage for \$70,000 and a forgivable second mortgage for \$80,000.00 for a total funding amount of \$150,000.00 to Natasha Jean-Louis a County employee.

Summary: Natasha Jean-Louis is a very low income unmarried female who has been employed with Palm Beach County Parks & Recreation as a secretary for seven years. She is now seeking to purchase a home in the amount of \$123,000.00. The home is located at 426 La Mancha Avenue, Royal Palm Beach, Fl 33411. The home contains 1,617 square feet with Three (3) bedrooms and two (2) baths. Total cost for this residential purchase and repair is \$152,708.67. The appraised "as is" value is \$150,000. The value after rehab will be \$185,000. This amount includes the purchase price of \$123,000; repair costs of \$26,050.00; and closing costs of \$3,658.67. The total applicant contribution is \$2,708.67 which includes mandatory 1% down payment of \$1,230.00. Palm Beach County will provide a first mortgage loan of \$70,000 for thirty (30) years at four percent (4%) interest, a second mortgage of \$80,000.00. The second mortgage requires no repayment if Ms. Jean Louis lives in the home as her principal place of residence for thirty (30) years. These are federal funds which require no local match District 6 (TKF).

Background and Justification: In March 2009, HUD awarded Palm Beach County \$27,700,340 in Neighborhood Stabilization Program (NSP) funding. The Board of County Commissioners (BCC) authorized the use of \$12,845,811 in NSP funding to facilitate the purchase of foreclosed and vacant residential properties. The NSP First Mortgage Loan Program was created to assist home buyers in the acquisition of local foreclosed and vacant residential properties. On April 21, 2009 (Agenda Item 6D-2) the BCC approved the Neighborhood Stabilization Program (NSP) First Mortgage Loan Program (FMLP) guidelines. And on November 3, 2009 (Agenda Item 3I-4) the BCC approved amending the FMLP guidelines authorizing the inclusion of second mortgage NSP assistance to eligible homebuyers. The County's NSP programs contains two (2) other components. The County's approved NSP program also includes providing \$5,000,000 to local non-profits and municipalities for the purchase of foreclosed and vacant residential properties (which are to be leased and/or sold to income eligible households). NSP program will also provide \$7,500,000 for the development of a local Homeless Resource Center. All the NSP funding must be obligated by September 4, 2010.

Attachments:

- 1. Copies of NSP Mortgage and Notes
- 2. Property Appraisal

Recommended by: Edward W. Smyth 10/17/2010
Department Director Date

Approved By: Sharon [Signature] 10/18/10
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2011	2012	2013	2014	2015
Capital Expenditures	150,000				
Operating Costs					
External Revenues	<150,000>				
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)	2011	2012	2013	2014	2015
	-0-				

Is Item Included In Current Budget? Yes X No
Budget Account No.:

Fund 1109 Unit 143 Org 1423 Object 8301 Program Code/Period NS20/GY08


B. Recommended Sources of Funds/Summary of Fiscal Impact:


Approval of this agenda item will appropriate \$150,000 in NSP funds for the purchase of a home by County employee Natasha Jean Louis.


C. Departmental Fiscal Review:  10-7-10
Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:


OFMB 10/21/10
10/21/10

 10/13/10
Contract Development and Control
Edwards 10/13/10

B. Legal Sufficiency: 
10/14/10
Senior Assistant County Attorney

C. Other Department Review:

Department Director

SUMMARY APPRAISAL REPORT OF A SINGLE FAMILY RESIDENCE



LOCATED AT

426 La Mancha Ave
Royal Palm Beach, FL 33411-1047
La Mancha Two Lot 4 Block N

FOR

Palm Beach County Housing & Community Development
100 N. Australian Avenue, Ste 500
West Palm Beach, FL 33406
Attention: Marie Yanique Jasmine

OPINION OF VALUE

\$150,000

AS OF

July 20, 2010

BY

Anderson & Carr, Inc.
521 S Olive Avenue
West Palm Beach, Florida 33401
Office (561) 833-1661
Fax (561) 833-0234

Uniform Residential Appraisal Report

Summary Report
File # 2100379

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

Property Address 426 La Mancha Ave City Royal Palm Beach State FL Zip Code 33411-1047
Borrower **Natasha Jean Louis** Owner of Public Record **Deutsche Bank National Trust** County Palm Beach
Legal Description La Mancha Two Lot 4 Block N
Assessor's Parcel # 72-41-43-14-02-014-0040 Tax Year 2009 R.E. Taxes \$ 3,355
Neighborhood Name La Mancha Map Reference 33411 Census Tract **0078.17**
 Occupant Owner Tenant Vacant Special Assessments \$ N/A PUD HOA \$ per year per month
 Property Rights Appraised Fee Simple Leasehold Other (describe)
 Assignment Type Purchase Transaction Refinance Transaction Other (describe)
Lender/Client **Palm Beach County Housing & Community Develo** Address **100 N. Australian Avenue, Ste 500, West Palm Beach, Fl 33406**
 Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? Yes No
 Report data source(s) used, offering price(s), and date(s). **The subject is listed in MLS. List price is \$169,900 as of 04/16/2010 and is under contract for \$150,000. See sales history in addendum.**

CONTRACT
 I did did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. **See addendum.**
 Contract Price \$ 150,000 Date of Contract 05/10/2010 Is the property seller the owner of public record? Yes No Data Source(s) **Tax Rolls**
 Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? Yes No
 If Yes, report the total dollar amount and describe the items to be paid. **3,000** The seller is to pay \$3,000 towards buyers closing costs. The sales price is based on the buyer being approved for the Palm Beach County Housing & Community Development program which pays for all repairs up to \$35,000. In addition, repairs will be done by an approved contractor. The sales price assumes all work will be done at no cost to buyer.
Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics		One-Unit Housing Trends			One-Unit Housing		Present Land Use %	
Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural	Property Values <input type="checkbox"/> Increasing <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Declining	PRICE	AGE	One-Unit	100 %			
Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%	Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply	\$ (000)	(yrs)	2-4 Unit	%			
Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths	83	Low 16	Multi-Family	%			
Neighborhood Boundaries are North 40th Street on the North, Okeechobee Boulevard on the South, Royal Palm Beach		240	High 40	Commercial	%			
City Limits on the East and Royal Palm Beach Boulevard on the West.		160	Pred. 24	Other	%			

Neighborhood Description **This is a well established residential area featuring similar built single family houses. Located north of Okeechobee Boulevard and east of Royal Palm Beach Blvd. the neighborhood is considered stable and is convenient to all support facilities.**
 Market Conditions (including support for the above conclusions) **See attached addenda.**

SITE
 Dimensions **71.40'x124.97'x71.72'x125.04'** See Plat Map. Area **10,485 SF +/-** Shape **Rectangle** View **Residential**
 Specific Zoning Classification **RS-2** Zoning Description **Single Family Residential District (8,000 SF)**
 Zoning Compliance Legal Legal Nonconforming (Grandfathered Use) No Zoning Illegal (describe)
 Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? Yes No If No, describe

Utilities	Public	Other (describe)	Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Water	<input checked="" type="checkbox"/>	Street Asphalt	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Sanitary Sewer	<input checked="" type="checkbox"/>	Alley	<input checked="" type="checkbox"/>	<input type="checkbox"/>

FEMA Special Flood Hazard Area Yes No FEMA Flood Zone **X** FEMA Map # **120225** FEMA Map Date **Not printed**
 Are the utilities and off-site improvements typical for the market area? Yes No If No, describe
 Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? Yes No If Yes, describe
See comment addendum.

General Description		Foundation		Exterior Description materials/condition		Interior materials/condition	
Units <input checked="" type="checkbox"/> One <input type="checkbox"/> One with Accessory Unit	<input checked="" type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space	Foundation Walls	Frame	Floors	Carpet/C.Tile/Avg		
# of Stories 1	<input type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement	Exterior Walls	Vinyl Siding	Walls	Drywall/Pnted/Avg		
Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit	Basement Area N/A sq.ft.	Roof Surface	Asph. Shingle/Avg	Trim/Finish	Wood/Pnted/Avg		
<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.	Basement Finish N/A %	Gutters & Downspouts	Yes	Bath Floor	C.Tile/Avg		
Design (Style) Ranch	<input type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump	Window Type	Awning	Bath Wainscot	C.Tile/Avg		
Year Built 1984	Evidence of <input type="checkbox"/> Infestation None Noted	Storm Sash/Insulated	No	Car Storage	<input type="checkbox"/> None		
Effective Age (Yrs) 15 Years	<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement	Screens	Yes	<input checked="" type="checkbox"/> Driveway # of Cars 2 Car			
Attic <input type="checkbox"/> None	Heating <input checked="" type="checkbox"/> FWA <input type="checkbox"/> HWBB <input type="checkbox"/> Radiant	Amenities	<input type="checkbox"/> Woodstove(s) #	Driveway Surface	Concrete		
<input checked="" type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs	<input type="checkbox"/> Other Fuel Electric	<input type="checkbox"/> Fireplace(s) #	<input checked="" type="checkbox"/> Fence	<input checked="" type="checkbox"/> Garage # of Cars 2			
<input type="checkbox"/> Floor <input type="checkbox"/> Scuttle	Cooling <input checked="" type="checkbox"/> Central Air Conditioning	<input type="checkbox"/> Patio/Deck	<input type="checkbox"/> Porch	<input type="checkbox"/> Carport # of Cars			
<input type="checkbox"/> Finished <input type="checkbox"/> Heated	<input type="checkbox"/> Individual <input type="checkbox"/> Other	<input type="checkbox"/> Pool	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in			

Appliances Refrigerator Range/Oven Dishwasher Disposal Microwave Washer/Dryer Other (describe)
 Finished area above grade contains: **7** Rooms **3** Bedrooms **3.1** Bath(s) **1,617** Square Feet of Gross Living Area Above Grade
 Additional features (special energy efficient items, etc.). **None Noted.**

IMPROVEMENTS
 Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). **Standard kitchen package with average formica counter tops & center island, laminate wood cabinets, average ceramic tile flooring in kitchen & dining area, average to good carpeting in living room and bedrooms Main bathroom has average to fair formica vanity top, average ceramic tile flooring and wet areas, popcorn texture ceilings, sky light, vaulted wood beam ceiling in living room, plant shelves, ceiling fans, water softener and water filtration system and sprinkler system.**
 Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? Yes No If Yes, describe
See attached addenda.

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? Yes No If No, describe

Uniform Residential Appraisal Report

Summary Report
File # 2100379

There are 51 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 80,000 to \$ 245,000					
There are 82 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 83,000 to \$ 240,000					
FEATURE	SUBJECT	COMPARABLE SALE # 1	COMPARABLE SALE # 2	COMPARABLE SALE # 3	
Address	426 La Mancha Avenue Royal Palm Beach	131 Alcazar Street Royal Palm Beach	410 La Mancha Avenue Royal Palm Beach	120 Viscaya Avenue Royal Palm Beach	
Proximity to Subject		1.04 miles SE	0.14 miles E	0.21 miles N	
Sale Price	\$ 150,000	\$ 160,000	\$ 169,000	\$ 183,500	
Sale Price/Gross Liv. Area	\$ 92.76 sq.ft.	\$ 91.22 sq.ft.	\$ 117.44 sq.ft.	\$ 111.35 sq.ft.	
Data Source(s)		MLS R3096807, ISC,RealQuest	MLS R3053171, ISC,RealQuest	MLS R3064782, ISC,RealQuest	
Verification Source(s)		Realtor, Public Records	Realtor, Public Records	Realtor, Public Records	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment
Sales or Financing Concessions		Cash None		VA None	
Date of Sale/Time		04/2010	-4,800	11/2009	-13,520
Location	La Mancha	La Mancha		La Mancha	
Leasehold/Fee Simple	Fee Simple	Fee Simple		Fee Simple	
Site	10,485 SF +/-	12,197 SF +/-		10,019 SF +/-	31,363 SF +/-
View	Residential	Residential		Residential	In Site
Design (Style)	Ranch	Ranch		Ranch	Ranch
Quality of Construction	Frame/Avg	CBS/Avg		Frame/Avg	CBS/Avg
Actual Age	26 Years	33 Years		26 Years	22 Years
Condition	Original/Avg	Original/Avg	No Adjustment	Updated/Good	-10,000
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths	
Room Count	7 3 3.1	7 3 2	+5,000	7 3 2	+5,000
Gross Living Area	1,617 sq.ft.	1,754 sq.ft.	-7,535	1,439 sq.ft.	+9,790
Basement & Finished Rooms Below Grade	N/A	N/A		N/A	N/A
Functional Utility	Typical	Typical		Typical	Typical
Heating/Cooling	C.F.A.	C.F.A.		C.F.A.	C.F.A.
Energy Efficient Items	None Special	None Special		None Special	None Special
Garage/Carport	2 Car Garage	2 Car Garage	-3,000	2 Car Garage	-3,000
Porch/Patio/Deck	None	S.E.Patio	-3,000	S.E.Patio	-3,000
Hurricane Shutters	None	None		None	None
Appliances	Average	None	+5,000	New Appliances	-3,000
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -8,335	<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -17,730
Adjusted Sale Price of Comparables		Net Adj. 5.2 % Gross Adj. 17.7 %	\$ 151,665	Net Adj. 10.5 % Gross Adj. 28.0 %	\$ 151,270
				Net Adj. 19.4 % Gross Adj. 24.9 %	\$ 147,830
<input checked="" type="checkbox"/> did <input type="checkbox"/> did not research the sale or transfer history of the subject property and comparable sales. If not, explain See sales history on addendum and below grille.					
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.					
Data Source(s) Public Records, Tax Rolls, RealQuest, & ISC.					
My research <input checked="" type="checkbox"/> did <input type="checkbox"/> did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.					
Data Source(s) Public Records, Tax Rolls, RealQuest, & ISC.					
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).					
ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3	
Date of Prior Sale/Transfer	September, 2008 \$100.00	04/2010 \$115,200	11/2009 \$97,800	07/2009 \$125,000	
Price of Prior Sale/Transfer	Bk#22865 Pg1717 Cert of title	Bk#23783 Pg1316 Cert of title	Bk#23512 Pg0298 Cert of title	Bk#23393 Pg0689Warranty Deed	
Data Source(s)	Public Records	Public Records	Public Records	Public Records	
Effective Date of Data Source(s)	07/19/2010	07/23/2010	07/23/2010	07/23/2010	
Analysis of prior sale or transfer history of the subject property and comparable sales All comparable sales and the subject property were researched back three years. All comparable Sales and the Subject property have had previous sales and/or transfers of title during the three years prior to the effective date of this appraisal, July 20, 2010. Anderson & Carr, Inc., has not appraised the subject within the past three years.					
Summary of Sales Comparison Approach Please see addendum comment on *sales comparison approach*.					
Indicated Value by Sales Comparison Approach \$ 150,000					
Indicated Value by: Sales Comparison Approach \$ 150,000 Cost Approach (if developed) \$ 164,215 Income Approach (if developed) \$ N/A					
The income approach to value is not applicable as the typical purchaser is an owner/user who would not buy same as an investment property. Adjoining homes are owner occupied and are not generating any income. The sales comparison approach best reflects the market value of the Subject Property. The Cost Approach is supportive of the sales comparison approach.					
This appraisal is made <input checked="" type="checkbox"/> "as is", <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: This is a summary report and is subject to the attached assumptions and limiting conditions.					
Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 150,000 , as of July 20, 2010 , which is the date of inspection and the effective date of this appraisal.					

SALES COMPARISON APPROACH

RECONCILIATION

Uniform Residential Appraisal Report

Summary Report
File # 2100379

ADDITIONAL COMMENTS

COST APPROACH TO VALUE (not required by Fannie Mae)

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) **Site value is typical for area. Site value estimated via the abstraction method.**

COST APPROACH

ESTIMATED <input type="checkbox"/> REPRODUCTION OR <input checked="" type="checkbox"/> REPLACEMENT COST NEW	OPINION OF SITE VALUE	= \$	40,000
Source of cost data Marshall & Swift Residential Cost Handbook was used.	DWELLING 1,617 Sq.Ft. @ \$ 100.00	= \$	161,700
Quality rating from cost service Average Effective date of cost data 07/23/2010	N/A Sq.Ft. @ \$	= \$	
Comments on Cost Approach (gross living area calculations, depreciation, etc.)		= \$	
See attached sketch for gross living area calculations. Cost figures taken from Marshall & Swift Residential Cost Manual. The land to value ratio is considered typical for the subject neighborhood. Remaining economic life of the subject is approximately 35 years using the age/life method. The cost approach was developed to estimate market value only, not for insurance purposes.	Garage/Carport 525 Sq.Ft. @ \$ 30.00	= \$	15,750
	Total Estimate of Cost-New	= \$	177,450
	Less Physical		
	Depreciation 53,235	= \$(53,235)
	Depreciated Cost of Improvements	= \$	124,215
	"As-is" Value of Site Improvements	= \$	
Estimated Remaining Economic Life (HUD and VA only) 35 Years	INDICATED VALUE BY COST APPROACH	= \$	164,215

INCOME

INCOME APPROACH TO VALUE (not required by Fannie Mae)

Estimated Monthly Market Rent \$ N/A	X Gross Rent Multiplier N/A	= \$	N/A	Indicated Value by Income Approach
Summary of Income Approach (including support for market rent and GRM) N/A				

PUD INFORMATION

PROJECT INFORMATION FOR PUDs (if applicable)

Is the developer/builder in control of the Homeowners' Association (HOA)? Yes No Unit type(s) Detached Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project

Total number of phases	Total number of units	Total number of units sold
Total number of units rented	Total number of units for sale	Data source(s)

Was the project created by the conversion of existing building(s) into a PUD? Yes No If Yes, date of conversion.

Does the project contain any multi-dwelling units? Yes No Data Source

Are the units, common elements, and recreation facilities complete? Yes No If No, describe the status of completion.

Are the common elements leased to or by the Homeowners' Association? Yes No If Yes, describe the rental terms and options.

Describe common elements and recreational facilities.

Uniform Residential Appraisal Report

Summary Report
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This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a complete visual inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect each of the comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

Summary Report
File # 2100379**APPRAISER'S CERTIFICATION:** The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.
2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.
3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.
5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.
6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.
7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.
8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.
9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.
10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.
11. I have knowledge and experience in appraising this type of property in this market area.
12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.
13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.
14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.
15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.
16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.
17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.
18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).
19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.
20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Uniform Residential Appraisal Report

Summary Report
File # 2100379

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

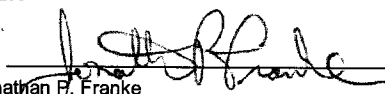
24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.
3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.
4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.
5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER


Signature 
Name Jonathan F. Franke
Company Name Anderson & Carr, Inc.
Company Address 521 S. Olive Avenue, West Palm Beach, FL 33401

Telephone Number Fax (561) 833-0234
Email Address jfranke@andersoncarr.com
Date of Signature and Report July 26, 2010
Effective Date of Appraisal July 20, 2010
State Certification # St.Cert.Res.REA RD7584
or State License # _____
or Other (describe) _____ State # _____
State FL
Expiration Date of Certification or License 11/30/2010

ADDRESS OF PROPERTY APPRAISED

426 La Mancha Ave
Royal Palm Beach, FL 33411-1047
APPRAISED VALUE OF SUBJECT PROPERTY \$ 150,000
LENDER/CLIENT
Name Marie Yanique Jasmin
Company Name Palm Beach County Housing & Community Development
Company Address 100 N. Australian Avenue, Ste 500, West Palm Beach, FL 33406
Email Address mlegagne@pbcgov.com

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature 
Name Robert B. Banting, MAI, SRA
Company Name Anderson & Carr, Inc.
Company Address 521 S. Olive Avenue, West Palm Beach, FL 33401

Telephone Number (561) 833-1661
Email Address rbanting@andersoncarr.com
Date of Signature July 26, 2010
State Certification # St.Cert.Gen. REA #RZ4
or State License # _____
State FL
Expiration Date of Certification or License 11/30/2010

SUBJECT PROPERTY

- Did not inspect subject property
 Did inspect exterior of subject property from street
Date of Inspection _____
 Did inspect interior and exterior of subject property
Date of Inspection _____

COMPARABLE SALES

- Did not inspect exterior of comparable sales from street
 Did inspect exterior of comparable sales from street
Date of Inspection _____

Digitally signed by Robert B. Banting
DN: cn=Robert B. Banting, o=Anderson & Carr, c=US
Date: 2010.07.26 13:17:22 -0400

Uniform Residential Appraisal Report

Summary Report
File # 2100379

FEATURE	SUBJECT	COMPARABLE SALE # 4			COMPARABLE SALE # 5			COMPARABLE SALE # 6		
Address	426 La Mancha Avenue Royal Palm Beach	111 Gibraltar Street Royal Palm Beach								
Proximity to Subject		0.44 miles SE								
Sale Price	\$ 150,000	\$ 185,000								
Sale Price/Gross Liv. Area	\$ 92.76 sq.ft.	\$ 91.90 sq.ft.			\$ sq.ft.			\$ sq.ft.		
Data Source(s)		MLS R3024451, ISC, RealQuest								
Verification Source(s)		Realtor, Public Records								
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	DESCRIPTION	+(-) \$ Adjustment	
Sales or Financing Concessions		FHA None								
Date of Sale/Time		05/2010	-3,700							
Location	La Mancha	La Mancha								
Leasehold/Fee Simple	Fee Simple	Fee Simple								
Site	10,485 SF +/-	12,632 SF +/-	0							
View	Residential	Residential								
Design (Style)	Ranch	Ranch								
Quality of Construction	Frame/Avg	CBS/Avg								
Actual Age	26 Years	23 Years								
Condition	Original/Avg	Original/Good	-5,000							
Above Grade	Total Bdrms. Baths	Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		Total Bdrms. Baths		
Room Count	7 3 3.1	8 4 2	+5,000							
Gross Living Area	1,617 sq.ft.	2,013 sq.ft.	-21,780	sq.ft.		sq.ft.		sq.ft.		
Basement & Finished Rooms Below Grade	N/A N/A	N/A N/A								
Functional Utility	Typical	Typical								
Heating/Cooling	C.F.A.	C.F.A.								
Energy Efficient Items	None Special	None Special								
Garage/Carport	2 Car Garage	2 Car Garage	-3,000							
Porch/Patio/Deck	None	Porch	-1,000							
Hurricane Shutters.	None	Metal Panels	-4,000							
Appliances	Average	Average								
Net Adjustment (Total)		<input type="checkbox"/> + <input checked="" type="checkbox"/> -	\$ -33,480	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	<input type="checkbox"/> + <input type="checkbox"/> -	\$	
Adjusted Sale Price of Comparables		Net Adj. 18.1 % Gross Adj. 23.5 %	\$ 151,520	Net Adj. % Gross Adj. %	\$	Net Adj. % Gross Adj. %	\$	Net Adj. % Gross Adj. %	\$	
Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).										
ITEM	SUBJECT	COMPARABLE SALE # 4	COMPARABLE SALE # 5	COMPARABLE SALE # 6						
Date of Prior Sale/Transfer	September, 2008 \$100.00	11/2007 \$10.00								
Price of Prior Sale/Transfer	Bk#22865 Pg1717 Cert of title	Bk#22277 Pg1072 Rep Deed								
Data Source(s)	Public Records	Public Records								
Effective Date of Data Source(s)	07/19/2010	07/23/2010								
Analysis of prior sale or transfer history of the subject property and comparable sales										
Analysis/Comments										
<p>The sales used are the most recent that best represent the subject allowing the most accurate appraisal and are reflective of the market as of actual day of inspection on July 20, 2010. All comparable sales were adjusted for time @ 1% per month due to a soft market based on pairing sales and other appraisals performed by this office. All comparable sales were adjusted downward for garage conversion.</p> <p>Comparable sale 1 was adjusted upward for the difference in bathroom count and an adjustment downward was made for the difference in gross living area @ \$55 per SF. This sale was adjusted downward for having a screened enclosed patio and an adjustment upward for no appliances per realtor.</p> <p>Comparable sale 2 was part updated and an adjustment downward was warranted. An adjustment upward for the difference in bathroom count and an adjustment upward was made for the difference in gross living area @ \$55 per SF. This sale was adjusted downward for having a screened enclosed patio and an adjustment downward for newer appliances per realtor.</p> <p>Comparable sale 3 is on a larger site that backs up to a busy road called Royal Pam Beach Boulevard and a combined adjustment downward was made. This sale was renovated per realtor and an adjustment downward was warranted. An adjustment upward was made for the difference in bath count and for new appliances.</p> <p>Comparable sale 4 sold in original good condition per realtor and an adjustment downward was warranted. An adjustment upward was for made the difference in bathroom count and an adjustment downward was made for the difference in gross living area @ \$55 per SF. Also, an adjustment downward was made for porch and metal hurricane panels.</p> <p>We conclude that the subject is estimated to be at the lower end of the range due to the state of the economy and soft market.</p>										

Market Conditions Addendum to the Appraisal Report

Summary Report
File No. 2100379

The purpose of this addendum is to provide the lender/client with a clear and accurate understanding of the market trends and conditions prevalent in the subject neighborhood. This is a required addendum for all appraisal reports with an effective date on or after April 1, 2009.

Property Address **426 La Mancha Ave** City **Royal Palm Beach** State **FL** ZIP Code **33411-1047**

Borrower **Natasha Jean Louis**

Instructions: The appraiser must use the information required on this form as the basis for his/her conclusions, and must provide support for those conclusions, regarding housing trends and overall market conditions as reported in the Neighborhood section of the appraisal report form. The appraiser must fill in all the information to the extent it is available and reliable and must provide analysis as indicated below. If any required data is unavailable or is considered unreliable, the appraiser must provide an explanation. It is recognized that not all data sources will be able to provide data for the shaded areas below; if it is available, however, the appraiser must include the data in the analysis. If data sources provide the required information as an average instead of the median, the appraiser should report the available figure and identify it as an average. Sales and listings must be properties that compete with the subject property, determined by applying the criteria that would be used by a prospective buyer of the subject property. The appraiser must explain any anomalies in the data, such as seasonal markets, new construction, foreclosures, etc.

Inventory Analysis	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)	40	19	22	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)	6.67	6.33	7.33	<input checked="" type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Comparable Active Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Housing Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale & List Price, DOM, Sale/List %	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Median Comparable Sale Price	160,500	165,000	151,000	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input checked="" type="checkbox"/> Declining
Median Comparable Sales Days on Market	63	148	128	<input type="checkbox"/> Declining	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Comparable List Price			165,000	<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Median Comparable Listings Days on Market			87	<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Median Sale Price as % of List Price	96.40%	100.00%	99.07%	<input type="checkbox"/> Increasing	<input checked="" type="checkbox"/> Stable	<input type="checkbox"/> Declining
Seller-(developer, builder, etc.)paid financial assistance prevalent?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Explain in detail the seller concessions trends for the past 12 months (e.g., seller contributions increased from 3% to 5%, increasing use of buydowns, closing costs, condo fees, options, etc.). **Sales prices have declined over the past 12 months. Seller concessions for closing costs of up to 5% are prevalent per area realtors.**

Are foreclosure sales (REO sales) a factor in the market? Yes No If yes, explain (including the trends in listings and sales of foreclosed properties).

Palm Beach County's median home price fell 21 percent to \$239,000 compared to the previous year, while sales increased 25 percent. Coral Gables real estate consultant Craig Werley estimates it will take nine to 15 months to work off the excess supply in Broward and two to four years in Palm Beach County. He said the two counties have a worrisome "shadow" inventory of properties that includes rentals, foreclosures and expired or withdrawn listings. When those homes go back on the market, the housing rebound could stall. In the subject subdivision of La Mancha, it appears that market values are declining with stable marketing times.

Cite data sources for above information. **News articles, MLS, Public Records, Tax Rolls, RealQuest, & ISC.**

Summarize the above information as support for your conclusions in the Neighborhood section of the appraisal report form. If you used any additional information, such as an analysis of pending sales and/or expired and withdrawn listings, to formulate your conclusions, provide both an explanation and support for your conclusions.

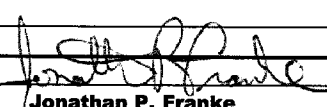

The above information indicates that the current market is showing decreasing prices and stable marketing times.

If the subject is a unit in a condominium or cooperative project, complete the following: Project Name:

Subject Project Data	Prior 7-12 Months	Prior 4-6 Months	Current - 3 Months	Overall Trend		
Total # of Comparable Sales (Settled)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Absorption Rate (Total Sales/Months)				<input type="checkbox"/> Increasing	<input type="checkbox"/> Stable	<input type="checkbox"/> Declining
Total # of Active Comparable Listings				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing
Months of Unit Supply (Total Listings/Ab.Rate)				<input type="checkbox"/> Declining	<input type="checkbox"/> Stable	<input type="checkbox"/> Increasing

Are foreclosure sales (REO sales) a factor in the project? Yes No If yes, indicate the number of REO listings and explain the trends in listings and sales of foreclosed properties.

Summarize the above trends and address the impact on the subject unit and project.

Signature 	Signature 
Appraiser Name Jonathan P. Franke	Supervisory Appraiser Name Robert B. Banting, MAI, SRA
Company Name Anderson & Carr, Inc.	Company Name Anderson & Carr, Inc.
Company Address 521 S. Olive Avenue, West Palm Beach, FL 33401	Company Address 521 S. Olive Avenue, West Palm Beach, FL 33401
State License/Certification # St.Cert.Res.REA RD7584 State FL	State License/Certification # St.Cert.Gen. REA #RZ4 State FL
Email Address	Email Address rbanting@andersoncarr.com

Supplemental AddendumFile No. **2100379**

Borrower/Client	Natasha Jean Louis		
Property Address	426 La Mancha Ave		
City	Royal Palm Beach	County	Palm Beach
		State	FL
		Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development		

Purpose of Report;

The purpose of this summary appraisal report is to estimate the market value, fee simple estate, of the subject property as of July 20, 2010.

Intended Use/User of the Report:

The intended use of this report is to provide the client, Palm Beach County Housing & Community Development with a supportable estimate of value for the subject property which can be utilized for mortgage lending purposes.

Client Disclosure:

This summary appraisal report has been prepared for Palm Beach County Housing & Community Development. Use of this report by others is not intended by the appraiser.

Scope of Assignment:

In keeping with the purpose of the appraisal and the appraisal process, the appraisers have engaged in original research to provide a complete analysis for the client. Data from analysis has been gathered from various sources, such as the Palm Beach County Public Records, First American Real Estate Solutions, county and local planning & zoning departments, local realtors, property owners, and other appraisal offices. The product of this research and analysis is formulated within this report for analysis of and direct comparison with the subject property being appraised. Additionally, we have used original research performed in preparation of other appraisals by this office, which is considered appropriate for the subject property. This report is in a summary appraisal format.

Sales History:

A title search for the subject property has not been provided and this appraiser has not ordered or performed one. The research that has been conducted (in house computer search of the Palm Beach County public records through First American Real Estates Solutions and RealQuest indicated that the subject property has sold or changed hands in the open market within the past three years. Recent recorded transaction was August 25, 2008 as in OR Book 22865 Page 1717 for Certificate of Title. The grantor is Deutsche Bank National Trust., and the grantee Lori Quintero.

The subject is under contract for \$150,000. This price is for all repairs to be completed under the Palm Beach County Housing and Community Development Program. The subject is listed on MLS. The offer price was established knowing that the subject would be qualified under the Palm Beach County & Community Development program to fix the subject property up to \$35,000. This is part of a Federally Funded National Stabilization program. This \$35,000 will be paid by Palm Beach County Housing & Community Development. This money is essentially free to the buyer.

• ORDER : Contract - Charges and/or Concessions to be Paid

The subject will be in good condition after repairs are completed. See attached report. Palm Beach County Stabilization Specification Analysis Report. Total repair cost is \$34,850. Repairs included are aluminium hurricane folding shutters, existing shade awnings, decorative shutters and window security, painting fascia & soffit, replace deteriorated & damaged vinyl siding, front exterior egress door, rear & side exterior door, sloped roof. shingle roof repair, weather proof GFCI receptacle, central air conditioning, CFL lighting, replace defective circuitry, outlets and switches, kitchen & bath GFCI receptacles, smoke detectors, sink disposal unit, washer & dryer, 20 minute fire rated door, toilet repair, bathroom vanity, insulation-blown particulate, demolition of illegal structure in garage, 25.4 Cu Ft frost free refrigerator, replace french glass doors, window repair and new breaker panel box. See transmittal.

2009 Assessed Value and Taxes:

The subject property for 2009 is assessed by the Palm Beach County Tax Assessor's office for a total value of \$152,511 indicating a total tax liability of \$3,355.

Income Approach to Value:

Due to the residential characteristics of this single family residence and because it would not typically be purchased as an investment property, the Income Approach was deemed not applicable.

HOME AND MOLD INSPECTION RECOMMENDED

Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property that would make the property more or less valuable. The appraiser makes no guarantees or warranties, express or implied, regarding the condition of the property. This summary appraisal report is not a home inspection and cannot be relied upon to disclose defects or conditions in the property. The appraiser performs an inspection of visible and accessible areas only. Mold may be present in areas the appraiser cannot see. A professional home inspection or environmental inspection is recommended.

Supplemental AddendumFile No. **2100379**

Borrower/Client	Natasha Jean Louis			
Property Address	426 La Mancha Ave			
City	Royal Palm Beach	County	Palm Beach	State FL Zip Code 33411-1047
Lender	Palm Beach County Housing & Community Development			

Structural Assumption

The final value assumes that there are no structural defects in the building. The appraiser reserves the right to amend the appraisal subject to any adverse findings. An inspection by a certified general contractor is recommended.

• ORDER : Neighborhood - Market Conditions

General market values in this area had been increasing through 2005. During the first quarter of 2006 these values became stable and in the last quarter of 2006 and from 2007 and through out the third quarter of 2010 there has been an oversupply of homes and condo units for sale. This fact has caused a downward trend in selling prices along with longer marketing times. Typical marketing/exposure time ranges from 3 to 6 months and some longer as of the date of the appraisal. It appears that in the subject neighborhood prices at the time of the report were declining with stable marketing times.

Exposure Time/Marketing Time:

The real estate market is still showing declining prices and current exposure times have been stable. Most properties offered for sale have been exposed on the market for three to six months, or more. Therefore, exposure time is estimated at six months. Institutional financing at reasonable rates is available. Therefore, marketing time for the subject is estimated at between three and six months.

REPAIRED VALUE: Is the value of the subject as repaired under the Housing & Community Development Stabilization Program Specification Analysis Report. See addendum page for list of repairs.

As is Value	\$150,000
Cost to repair:	<u>\$34,850</u>
Total	<u>\$184,850</u>

Value as Repaired **\$185,000 (Rounded)** The repaired value is not necessarily market value.

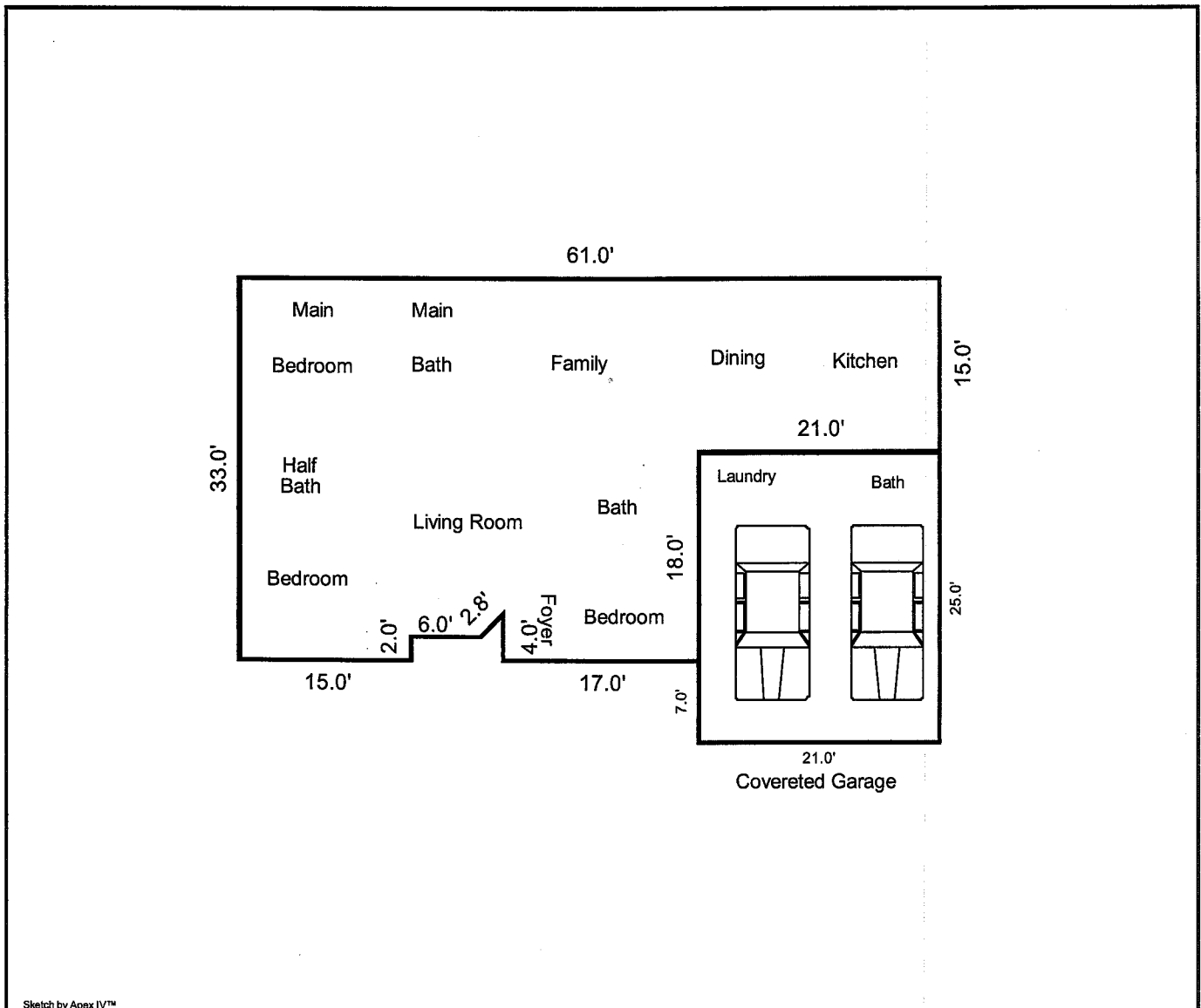
Please note that the "as-repaired" value is the "as-is" market value, plus the cost of repairs and renovations and does not necessarily represent market value "as-repaired".

• URAR : Improvements - Physical Deficiencies or Adverse Conditions:

The subject base area is 1,615 SF gross living area. The garage was converted into living area and is recorded in Palm Beach County public records as a semi finished base area @ 525 SF with a total of 2,140 SF under air. However, the garage conversion does not fit certain criteria. The garage floor is not level with the main house, garage doors are still in place as well as the garage door opener and there is no central air conditioning air vents in the garage area. Per, Palm Beach County Housing & Community Development home inspector and the cost to repair report provided in this report, states that this conversion of the garage to living space is considered an illegal non conforming structure and is slated to be returned back into a 2 car garage. This makes the subjects gross living area to 1,617 SF. Also, the bathroom in the garage conversion has functional obsolescence. There is only one wall and privacy door is an accordion vinyl shutter. See photo addendum. The report reflects the count of this bathroom and only a partial value is given.

Building Sketch

Borrower/Client	Natasha Jean Louis			
Property Address	426 La Mancha Ave			
City	Royal Palm Beach	County	Palm Beach	State FL Zip Code 33411-1047
Lender	Palm Beach County Housing & Community Development			



Sketch by Apex IV™

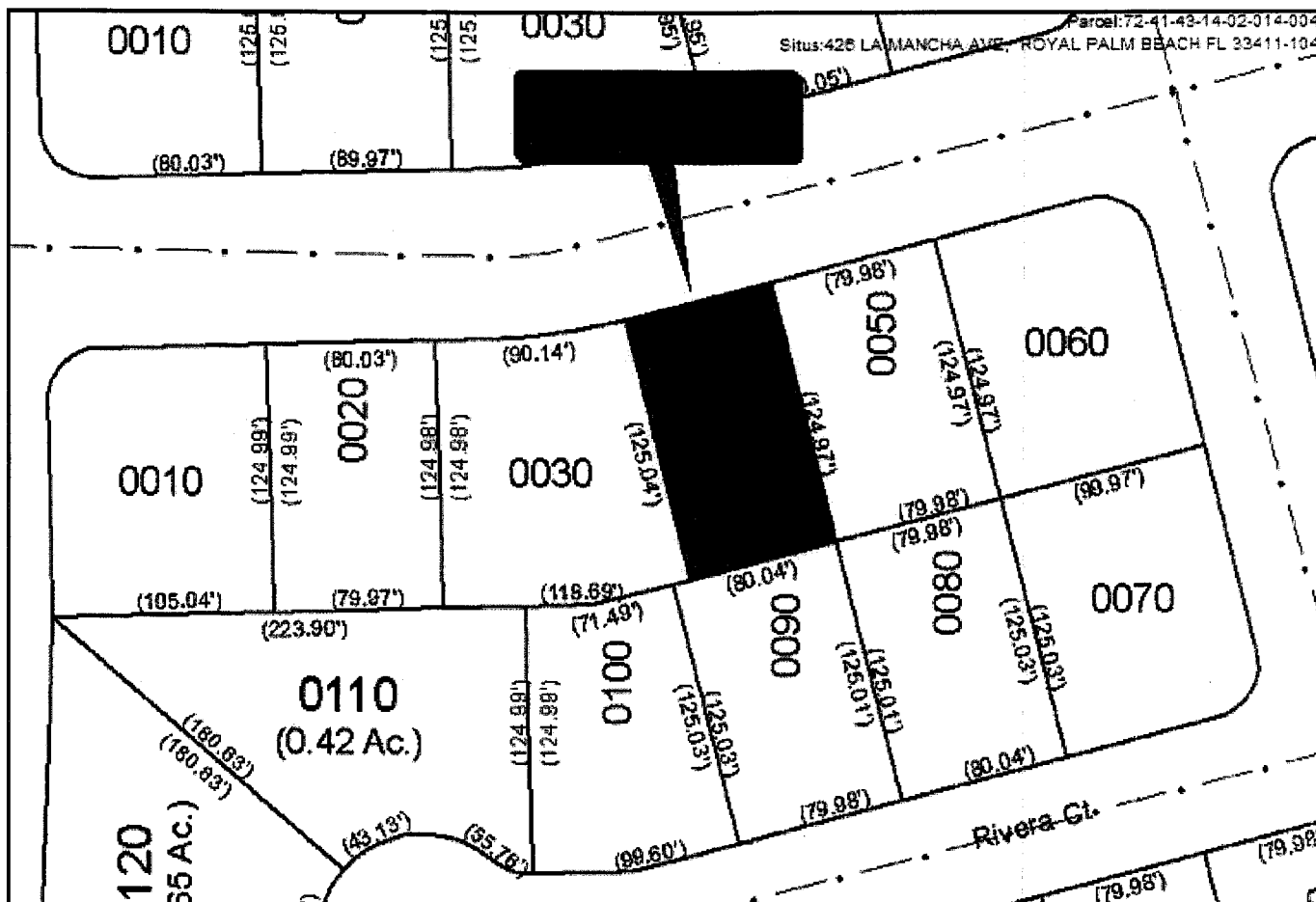
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	1617.00	1617.00
GAR	Garage	525.00	525.00
TOTAL LIVABLE (rounded)			1617

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
15.0 x	61.0		915.00
14.0 x	17.0		238.00
14.0 x	23.0		322.00
0.5 x	2.0 x	2.0	2.00
	2.0 x	21.0	42.00
	4.0 x	17.0	68.00
	2.0 x	15.0	30.00
7 Calculations Total (rounded)			1617

Plat Map

Borrower/Client	Natasha Jean Louis						
Property Address	426 La Mancha Ave						
City	Royal Palm Beach	County	Palm Beach	State	FL	Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development						



Location Map

Borrower/Client	Natasha Jean Louis		
Property Address	426 La Mancha Ave		
City	Royal Palm Beach	County	Palm Beach
		State	FL
		Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development		



Subject Photos

Borrower/Client	Natasha Jean Louis		
Property Address	426 La Mancha Ave		
City	Royal Palm Beach	County	Palm Beach
		State	FL
		Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development		

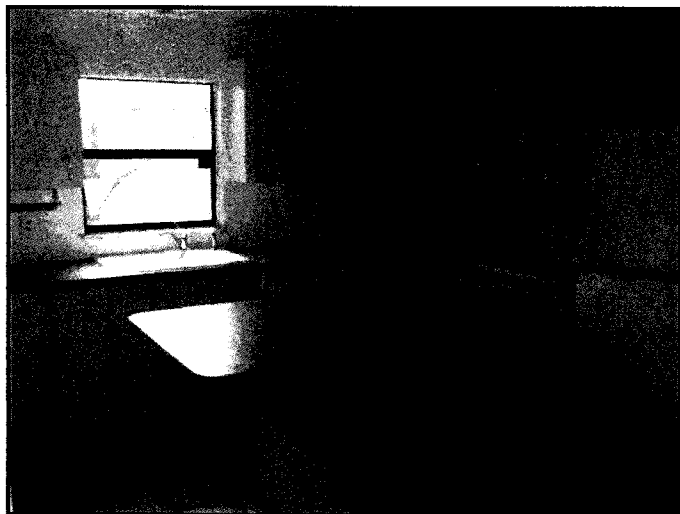
**Subject Front**

426 La Mancha Avenue
 Sales Price **150,000**
 Gross Living Area **1,617**
 Total Rooms **7**
 Total Bedrooms **3**
 Total Bathrooms **3.1**
 Location **La Mancha**
 View **Residential**
 Site **10,485 SF +/-**
 Quality **Frame/Avg**
 Age **26 Years**

**Subject Rear****Subject Street**

Photograph Addendum

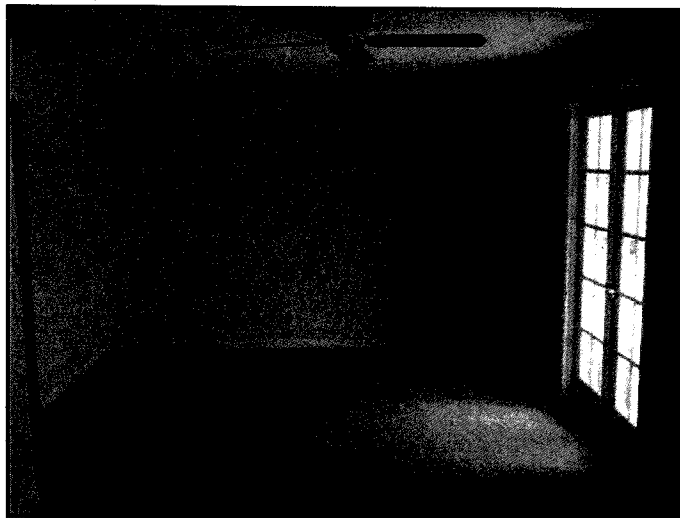
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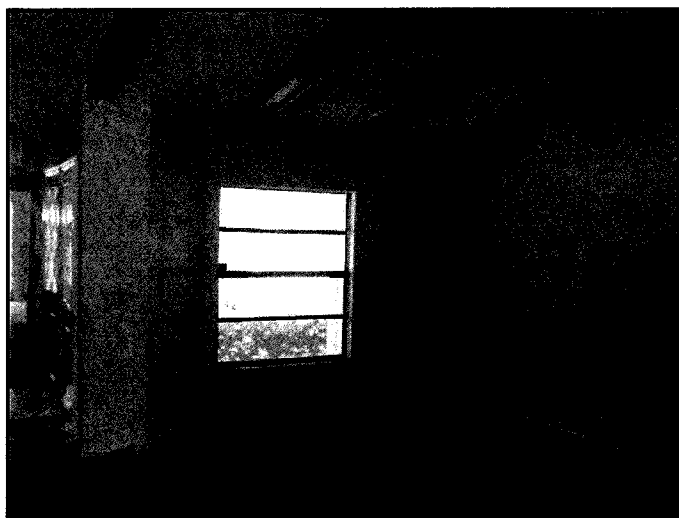
Kitchen



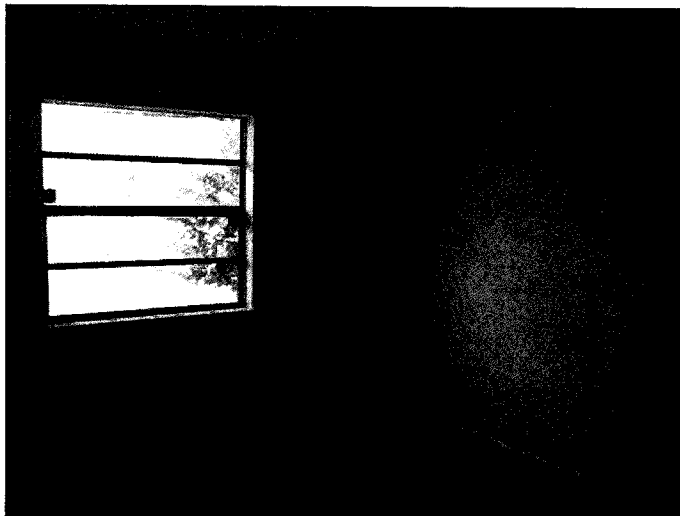
Dining Area



Family Room



Living Room



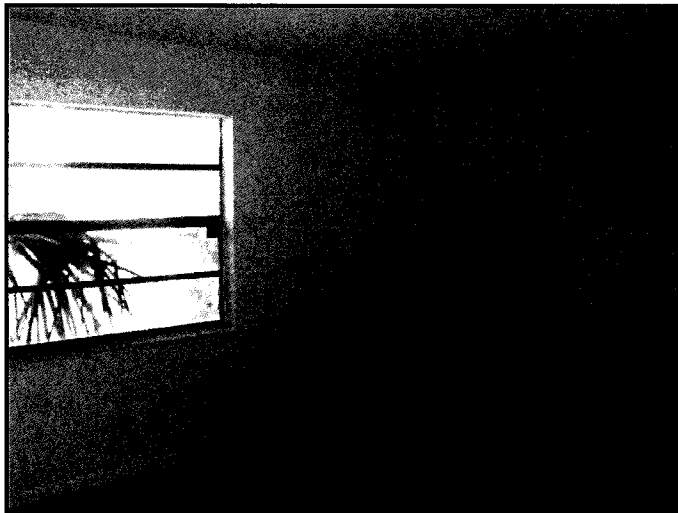
Bedroom



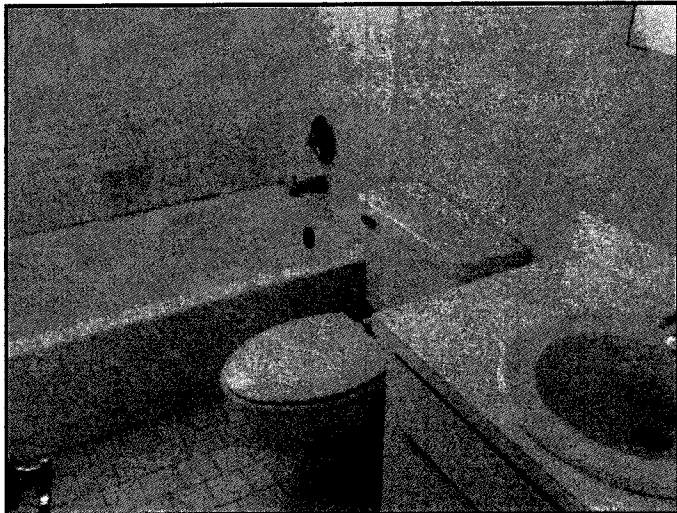
Half Bathroom

Photograph Addendum

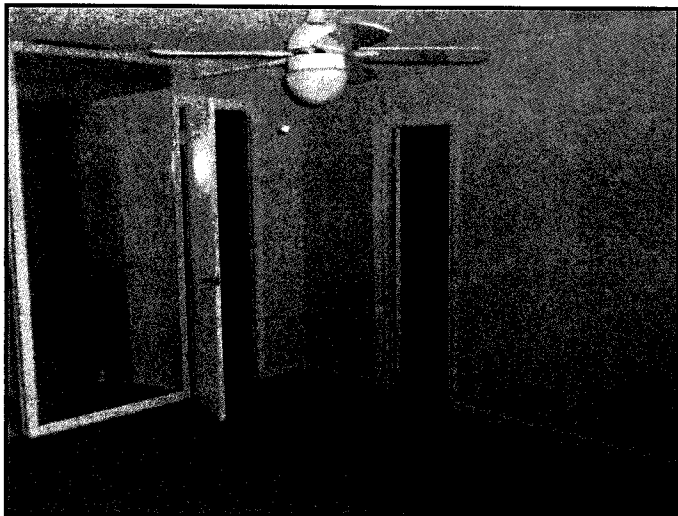
Borrower/Client	Natasha Jean Louis						
Property Address	426 La Mancha Ave						
City	Royal Palm Beach	County	Palm Beach	State	FL	Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development						



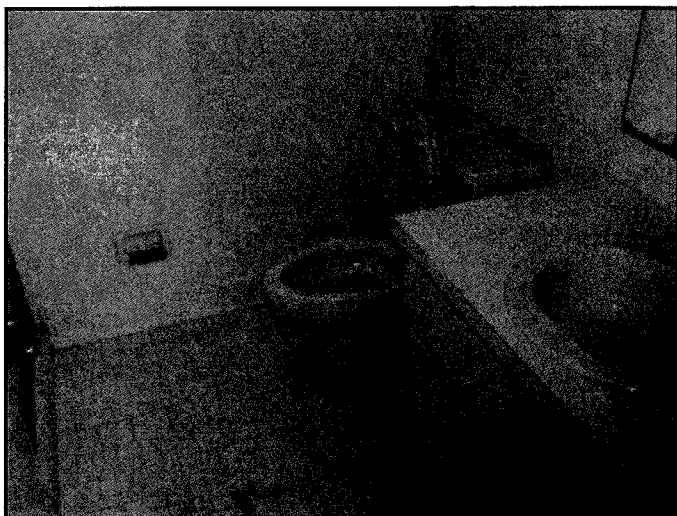
Main Bedroom



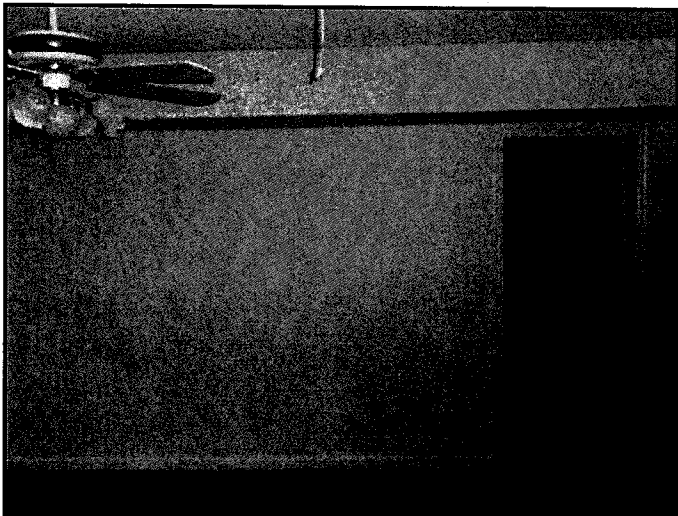
Main Bathroom



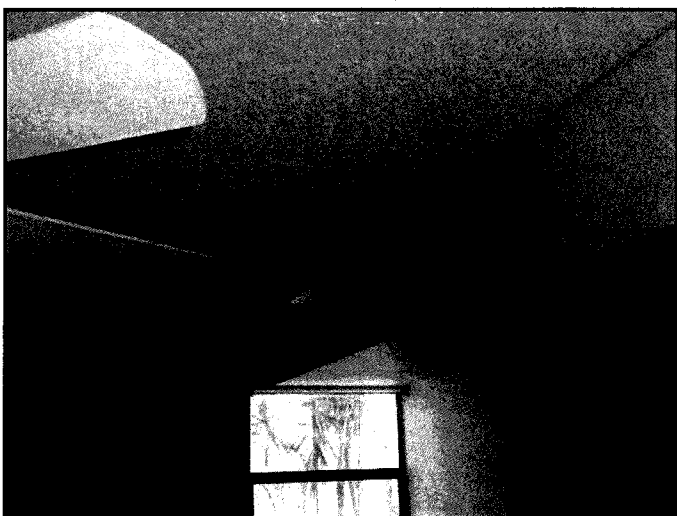
Bedroom



Bathroom



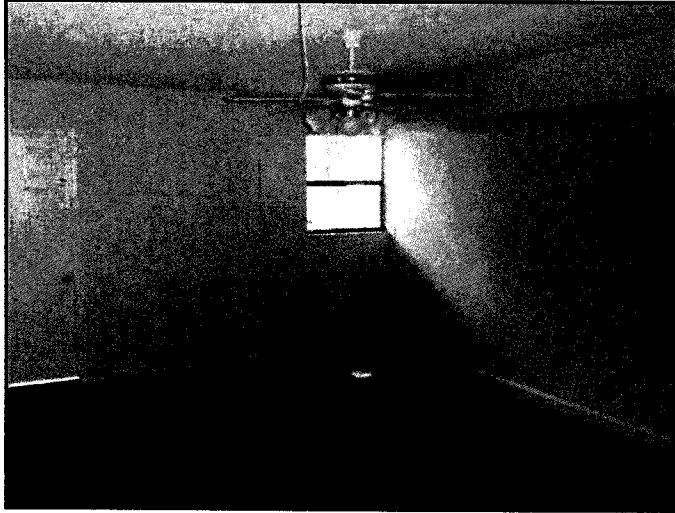
Converted Garage



Converted Garage

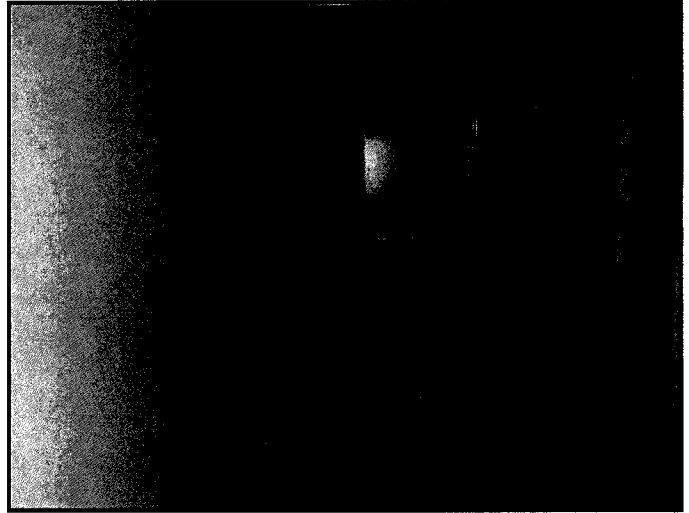
Photograph Addendum

Borrower/Client	Natasha Jean Louis						
Property Address	426 La Mancha Ave						
City	Royal Palm Beach	County	Palm Beach	State	FL	Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development						



Converted Garage

Comments:



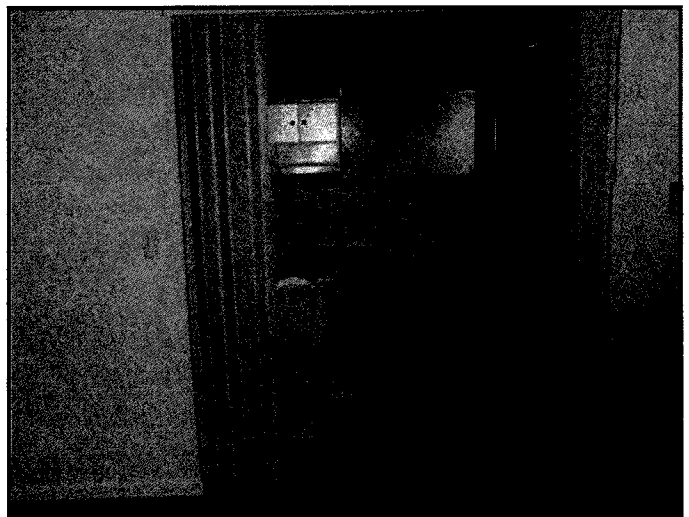
Storage Area Off Converted Garage

Comments:



Bathroom In Converted Garage

Comments:



Bathroom In Converted Garage

Comments:

Comparable Photos 1-3

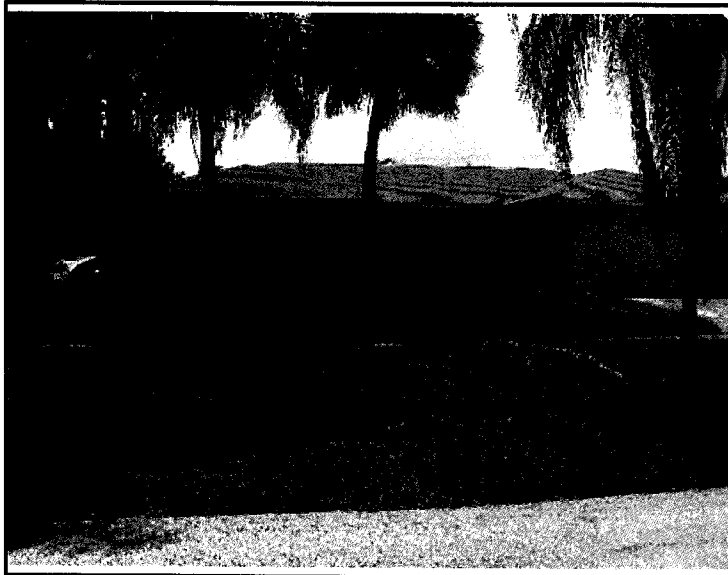
Borrower/Client	Natasha Jean Louis		
Property Address	426 La Mancha Ave		
City	Royal Palm Beach	County	Palm Beach
		State	FL
		Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development		

Comparable 1

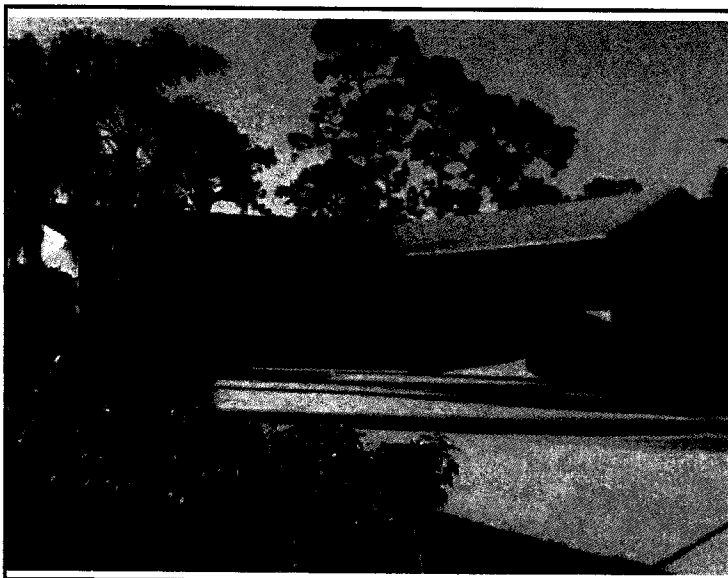
131 Alcazar Street
 Prox. to Subject **1.04 miles SE**
 Sales Price **160,000**
 Gross Living Area **1,754**
 Total Rooms **7**
 Total Bedrooms **3**
 Total Bathrooms **2**
 Location **La Mancha**
 View **Residential**
 Site **12,197 SF +/-**
 Quality **CBS/Avg**
 Age **33 Years**

**Comparable 2**

410 La Mancha Avenue
 Prox. to Subject **0.14 miles E**
 Sales Price **169,000**
 Gross Living Area **1,439**
 Total Rooms **7**
 Total Bedrooms **3**
 Total Bathrooms **2**
 Location **La Mancha**
 View **Residential**
 Site **10,019 SF +/-**
 Quality **Frame/Avg**
 Age **26 Years**

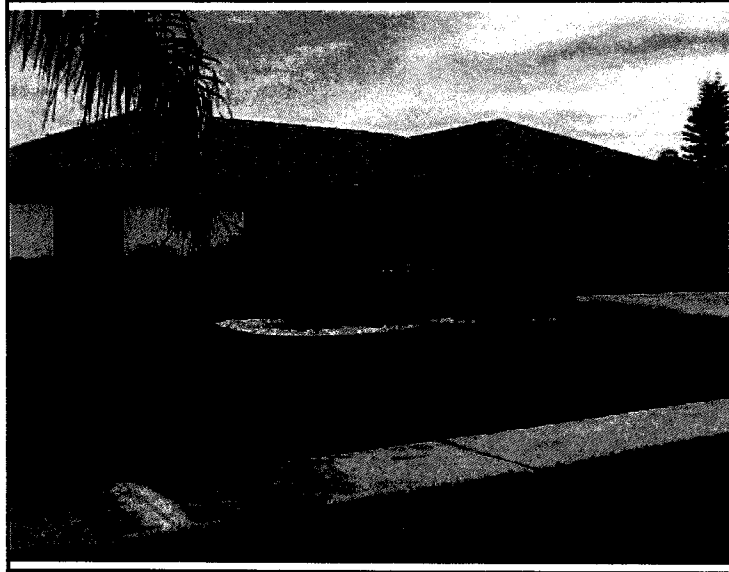
**Comparable 3**

120 Viscaya Avenue
 Prox. to Subject **0.21 miles N**
 Sales Price **183,500**
 Gross Living Area **1,648**
 Total Rooms **7**
 Total Bedrooms **3**
 Total Bathrooms **2**
 Location **La Mancha**
 View **Road**
 Site **31,363 SF +/-**
 Quality **CBS/Avg**
 Age **22 Years**



Comparable Photos 4-6

Borrower/Client	Natasha Jean Louis		
Property Address	426 La Mancha Ave		
City	Royal Palm Beach	County	Palm Beach
		State	FL
		Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development		

**Comparable 4**

111 Gibraltar Street
 Prox. to Subject **0.44 miles SE**
 Sales Price **185,000**
 Gross Living Area **2,013**
 Total Rooms **8**
 Total Bedrooms **4**
 Total Bathrooms **2**
 Location **La Mancha**
 View **Residential**
 Site **12,632 SF +/-**
 Quality **CBS/Avg**
 Age **23 Years**

Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Prox. to Subject
 Sales Price
 Gross Living Area
 Total Rooms
 Total Bedrooms
 Total Bathrooms
 Location
 View
 Site
 Quality
 Age

Resume

File No. 2100379

Borrower/Client	Natasha Jean Louis		
Property Address	426 La Mancha Ave		
City	Royal Palm Beach	County	Palm Beach
		State	FL
		Zip Code	33411-1047
Lender	Palm Beach County Housing & Community Development		

**QUALIFICATIONS OF APPRAISER
ROBERT B. BANTING, MAI, SRA**

PROFESSIONAL DESIGNATIONS - YEAR RECEIVED

MAI - Member Appraisal Institute - 1984
 SRA - Senior Residential Appraiser, Appraisal Institute - 1977
 SRPA - Senior Real Property Appraiser, Appraisal Institute - 1980
 State-Certified General Real Estate Appraiser, State of Florida, License No. RZ4 - 1991

EDUCATION AND SPECIAL TRAINING

Licensed Real Estate Broker - #3748 - State of Florida
 Graduate, University of Florida, College of Business Administration, BSBA (Major - Real Estate & Urban Land Studies) 1973
 Successfully completed and passed the following Society of Real Estate Appraisers (SREA) and American Institute of Real Estate Appraisers (AIREA) courses and/or exams: Note: the SREA & AIREA merged in 1991 to form the Appraisal Institute.

SREA R2: Case Study of Single Family Residence
 SREA 201: Principles of Income Property Appraising
 SREA: Single Family Residence Demonstration Report
 SREA: Income Property Demonstration Report
 AIREA 1B: Capitalization Theory and Techniques
 SREA 101: Introduction to Appraising Real Property
 AIREA: Case Studies in Real Estate Valuation
 AIREA: Standards of Professional Practice
 AIREA: Introduction to Real Estate Investment Analysis
 AIREA 2-2: Valuation Analysis and Report Writing
 AIREA: Comprehensive Examination
 AIREA: Litigation Valuation
 AIREA: Standards of Professional Practice Part C

ATTENDED VARIOUS APPRAISAL SEMINARS AND COURSES, INCLUDING:

The Internet and Appraising
 Golf Course Valuation
 Discounting Condominiums & Subdivisions
 Narrative Report Writing
 Appraising for Condemnation
 Condemnation: Legal Rules & Appraisal Practices
 Condominium Appraisal
 Reviewing Appraisals
 Analyzing Commercial Lease Clauses
 Eminent Domain Trials
 Tax Considerations in Real Estate
 Testing Reasonableness/Discounted Cash Flow
 Mortgage Equity Analysis
 Partnerships & Syndications
 Hotel and Motel Valuation
 Advanced Appraisal Techniques
 Federal Appraisal Requirements
 Analytic Uses of Computer in the Appraisal Shop
 Valuation of Leases and Leaseholds
 Valuation Litigation Mock Trial
 Residential Construction From The Inside Out
 Rates, Ratios, and Reasonableness
 Analyzing Income Producing Properties
 Development of Major/Large Residential Projects
 Standards of Professional Practice
 Regression Analysis In Appraisal Practice Federal Appraisal Requirements
 Engaged in appraising and consulting assignments including market research, rental studies, feasibility analysis, expert witness testimony, cash flow analysis, settlement conferences, and brokerage covering all types of real estate since 1972.
 President of Anderson & Carr, Inc., Realtors and Appraisers, established 1947
 Past President Palm Beach County Chapter, Society of Real Estate Appraisers (SREA)
 Realtor Member of Central Palm Beach County Association of Realtors
 Special Master for Palm Beach County Property Appraisal Adjustment Board
 Qualified as an Expert Witness providing testimony in matters of condemnation, property disputes, bankruptcy court, foreclosures, and other issues of real property valuation.
 Member of Admissions Committee, Appraisal Institute - South Florida Chapter
 Member of Review and Counseling Committee, Appraisal Institute - South Florida Chapter
 Approved appraiser for State of Florida, Department of Transportation and Department Natural Resources.
 Instructor of seminars, sponsored by the West Palm Beach Board of Realtors.
 Authored articles for The Palm Beach Post and Realtor newsletter.
 Real Estate Advisory Board Member, University of Florida.

TYPES OF PROPERTY APPRAISED - PARTIAL LISTING

Air Rights	Medical Buildings	Apartment Buildings	Churches
Amusement Parks	Department Stores	Hotels - Motels	Marinas
Condominiums	Industrial Buildings	Office Buildings	Shopping Centers
Residences - All Types	Mobile Home Parks	Service Stations	Leasehold Interests
Special Purpose Buildings	Restaurants	Golf Courses	Financial Institutions
Auto Dealerships	Vacant Lots - Acreage	Residential Projects	Easements

"I am currently certified under the continuing education program of the Appraisal Institute."

ResumeFile No. **2100379**

Borrower/Client	Natasha Jean Louis		
Property Address	426 La Mancha Ave		
City	Royal Palm Beach	County Palm Beach	State FL Zip Code 33411-1047
Lender	Palm Beach County Housing & Community Development		

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 Rates, Ratios, and Reasonableness
 Analyzing Income Producing Properties
 Development of Major/Large Residential Projects
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Special Purpose Buildings	Restaurants	Golf Courses	Financial Institutions
Auto Dealerships	Vacant Lots - Acreage	Residential Projects	Easements

"I am currently certified under the continuing education program of the Appraisal Institute."

Prepared By:
Tammy Fields
Palm Beach County
301 N. Olive Ave.
West Palm Beach, FL 33401

Return To:
Atlantic & Pacific Settlement Services
5800 Tei8nnyson Parkway Suite 150
Plano, TX 75024

PALM BEACH COUNTY

**NEIGHBORHOOD STABILIZATION PROGRAM
First Mortgage Loan Program/Promissory Attachment "A"**

FIRST MORTGAGE: \$70,000.00

THIS MORTGAGE DEED

Executed this 20th day of October A.D. 2010 by Natasha Jean Louis (an unmarried woman) whose current address is 873 Camellia Dr., West Palm Beach Fl 33411 hereinafter called the mortgagor(s), to Palm Beach County, Board of County Commissioners whose address is 301 North Olive Ave., West Palm Beach, Florida 33401, hereinafter called the mortgagee:

(Wherever used herein the terms "Mortgagor" and "Mortgagee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations, and the term "note" includes all the notes herein described if more than one.)

WITNESSETH, that for good and valuable considerations, and also in consideration of the aggregate sum named in the promissory notes of even date herewith, hereinafter described, the Mortgagor hereby grants, bargains, sells, aliens, remises, conveys and confirms unto the Mortgagee all the certain land of which the Mortgagor is now seized and in possession situate in Palm Beach County, Florida viz:

**LOT 4, BLOCK N, LA MANCHA TWO, ACCORDING TO THE PLAT THEREOF,
AS RECORDED IN PLAT BOOK 29 PAGE 196, OF THE PUBLIC RECORDS OF
PALM BEACH COUNTY, FLORIDA.**

PNC: 72-41-43-14-02-014-0040

TO HAVE AND TO HOLD the same, together with tenements, hereditaments and appurtenances thereto belonging, and the rents, issues and profits thereof, unto the Mortgagee, in fee simple.

AND the Mortgagor covenants with the Mortgagee that the Mortgagor is indefeasibly seized of said land in fee simple; that the Mortgagor has good right and lawful authority to convey said land as aforesaid; that the Mortgagor will make such further assurances to perfect the fee simple title to said land in the Mortgagee as may reasonably be required; that the Mortgagor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and at said land is free and clear of all encumbrances. In the event the subject property or any interest therein shall be sold, conveyed or in any other manner disposed of, including by Agreement for Deed, this Mortgage shall become due and payable in full.

PROVIDED ALWAYS, that if said Mortgagor shall pay unto said Mortgagee the certain promissory notes hereinafter substantially copied for identification, to wit:

See Attachment "A" attached hereto and made a part hereof and shall perform, comply with and abide by each and every agreement, stipulation, condition and covenant thereof, and of this mortgage, then this mortgage and the estate hereby created, shall cease, determine and be null and void.

AND, Mortgagor hereby further covenants and agrees to pay promptly when due the principal and interest and other sums of money provided for in said note and this mortgage, or either; to pay all and singular the taxes, assessments, levies, liabilities, obligations, and encumbrances of every nature on said property; to permit, commit or suffer no waste, impairment or deterioration of said land or the improvements thereon at any time; to keep the buildings now or hereafter on said land fully insured in a sum of not less than full insurable value with a company acceptable to the Mortgagee. The policy or policies to be held by, and payable to, said mortgagee. In the event any sum or money becomes payable by virtue of such insurance the mortgagee shall have the right to receive and apply the same to the indebtedness hereby secured.

In the event the Mortgagor fails to pay when due any tax, assessment, insurance premium or other sum of money payable by virtue of said note and this mortgage, or either, the Mortgagee may pay the same, without waiving or affecting the option to foreclose or any other right hereunder, and all such payments shall bear interest from date hereof at the highest lawful rate then allowed by the State of Florida.

AND, Mortgagor agrees further that Mortgagor shall reside in the mortgaged property as the Mortgagor's principal place of residence for the term of this Mortgage.

AND, Mortgagor further recognizes that any secondary or junior financing placed upon the mortgaged property, (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrance which would force Mortgagee to take measures and incur expenses to protect its security (s), (c) could detract from the value of the mortgaged property should Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the mortgaged property and (d) require the Mortgagor to have housing expenses which exceed the guidelines for affordability under the NSP program requirements.

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor; (iii) keeping the premises free of subordinate financing liens and (iv) meeting NSP program requirements for affordability, Mortgagor agrees that if this paragraph be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the mortgaged property or any interest therein (whether voluntarily or by operation of law) without the Mortgagee's prior written consent, which may be withheld for any reason, shall be an Event of Default hereunder.

For the purpose of and without limiting the generality of the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the mortgaged property and therefore an Event of Default hereunder.

(a) any sale, conveyance, assignment or other transfer of or the grant of security interest in, all or any part of the title to the premises within thirty (30) years of the date of this Mortgage.

(b) any new or additional liabilities without the prior written consent of Mortgagee. Any consent by the Mortgagee, or any waiver of an event of default, under this paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon a subsequent event of default under this paragraph.

If any sum of money herein referred to be not promptly paid within 15 days after the same becomes due, or if each and every agreement, stipulation, condition and covenant of said note and this mortgage, or either, are not fully performed, complied with and abided by, then the entire sum mentioned in said note, and this mortgage, or the entire balance unpaid thereon, shall forthwith or thereafter, at the option of the Mortgagee, become and be due and payable, anything in said note or herein to the contrary notwithstanding. Failure by the Mortgagee to exercise any of the rights or options herein provided shall not constitute a waiver of any rights or options under said note or this mortgage accrued or thereafter accruing.

IN WITNESS WHEREOF, the said mortgagor has hereunto signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in the presence of:

Witness:

(Signature)
Natasha Jean Louis, **Mortgagor**

Witness:

Witness:

N/A **(Signature)**

Witness:

PROPERTY ADDRESS:

**426 La Mancha Avenue
Royal Palm Beach, FL 33411**

**State of Florida
Palm Beach County**

The foregoing instrument was acknowledged before me this ____ day of _____, **2010**, by _____, who is personally known to me or who has produced Florida Driver's License as identification.

Notary Seal

Signature of Notary Public

SEAL

My Commission expires: _____
Commission No.: _____

ATTACHMENT "A"

PROMISSORY NOTE

Neighborhood Stabilization – First Mortgage Loan Program

REPAYABLE LOAN

Amount: \$70,000.00

Date: October 20th, 2010

Property Address: 426 La Mancha Avenue, Royal Palm Beach, Fl 33411

FOR VALUE RECEIVED, the undersigned jointly and severally promise(s) to pay to the order of Palm Beach County, Florida (herein called the "County"), acting by and through its Board of County Commissioners, the principal amount of **Seventy Thousand Dollars and 00/100 (\$70,000.00)**, and to pay interest on the unpaid principal amount of this Note from the date hereof, at the rate of Four percent (4%) per annum amortized over a period of Thirty (30) years, until paid. During the term of repayment, payments of both the **principal of and interest** on this Note are payable in 360 equal monthly installments of **Three Hundred Thirty Four Dollars and 19/100 Cents (\$334.19)** in lawful money of the United States at the principal office of PALM BEACH COUNTY, HOUSING AND COMMUNITY DEVELOPMENT in West Palm Beach, Florida, or at such other places as shall be designated by the County.

THE UNDERSIGNED shall commence such payments on **December 1, 2010** and continue payment on the like day each month for the term of the loan. This Note shall be due and payable in full upon the sale, lease, or transfer of the property, identified and legally described in the Mortgage used to secure this Note, from the undersigned signing this Note (being the owner(s) having fee simple title to the mortgaged property) to any other person(s), without the prior consent of the Mortgagee, except that the lease of non-owner occupied dwelling units at the mortgaged property shall not constitute an event of default if the mortgaged property contains two to four dwelling units.

THE UNDERSIGNED reserve(s) the right to prepay at any time all or any part of the principal amount of this Note without the payment of penalties or premiums. All payments on this Note shall be applied first to the interest due on the Note, and then to the principal due on the Note, and remaining balance shall be applied to late charges, if any. Except as provided below, all monthly installment payments on this Note shall be credited as of the date due thereof without adjustment of interest because paid either before or after such due date.

IN THE EVENT the undersigned shall fail to pay the interest on or principal amount of this Note when due, and if such failure be subsisting on the date the next installment payment under this Note becomes due and payable, or if default be made in the performance of any of the covenants, understandings and agreements obtained and entered into to secure financing used in connection with this Note or in said Mortgage, then the entire unpaid principal amount of this Note, together with accrued interest and late charges, shall become at once due and payable, at the option of the County, without notice to the undersigned, time being of the essence.

FAILURE of the County to exercise such option shall not constitute a waiver of such default, nor a waiver of the right to exercise the same in the event of any subsequent default. No default shall exist by reason of nonpayment of any required installment of principal and interest so long as the amount of optional prepayments already made pursuant hereto equals or exceeds the amount of the required installments. If this Note be reduced to judgment, such judgment should bear the statutory interest due on judgments, but not to exceed eight percent per annum.

PROVIDED the County has not accelerated this Note, the undersigned shall pay the County a late charge of one percent (1%) of any required payment which is not received by the County within 30 days of when said payment is due pursuant to the Mortgage. An additional one percent (1%) late charge will accrue for every 30 days which pass without payment made. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty.

IF SUIT is instituted by the County to recover on this Note, the undersigned agree(s) to pay all costs of such collection including reasonable attorney's fees and court costs at the trial and appellate level.

THIS NOTE is secured by a mortgage of even date, duly filed for record in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida.

DEMAND, protest and notice of demand and protest are hereby waived and the undersigned hereby waives, to the extent authorized by law, any and all homestead and other exemption rights which otherwise would apply to the debt evidenced by this Note.

WHEREOF, this Note has been duly executed by the undersigned, as of its date.

Signature: Natasha Jean Louis

Date

Signature: N/A

Date

Prepared By:
Tammy Fields
Palm Beach County
301 N. Olive Ave.
West Palm Beach, FL 33401

Return To:
Greenspoon Marder, PA
250 Australian Ave, Ste 700
West Palm Beach, FL 33401

PALM BEACH COUNTY

NEIGHBORHOOD STABILIZATION PROGRAM
Second Mortgage Loan Program/Promissory Attachment "B"

Amount: \$80,000.00

THIS MORTGAGE DEED

Executed this 20th day of October A.D. 2010 by Natasha Jean Louis(an unmarried woman) whose current address is 873 Camellia Dr., West Palm Beach Fl 33411 hereinafter called the mortgagor(s), to Palm Beach County, Board of County Commissioners whose address is 301 North Olive Ave., West Palm Beach, Florida 33401, hereinafter called the mortgagee:

(Wherever used herein the terms "Mortgagor" and "Mortgagee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations, and the term "note" includes all the notes herein described if more than one.)

WITNESSETH, that for good and valuable considerations, and also in consideration of the aggregate sum named in the promissory notes of even date herewith, hereinafter described, the Mortgagor hereby grants, bargains, sells, aliens, remises, conveys and confirms unto the Mortgagee all the certain land of which the Mortgagor is now seized and in possession situate in Palm Beach County, Florida viz:

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AND, Mortgagor hereby further covenants and agrees to pay promptly when due the principal and interest and other sums of money provided for in said note and this mortgage, or either; to pay all and singular the taxes, assessments, levies, liabilities, obligations, and encumbrances of every nature on said property; to permit, commit or suffer no waste, impairment or deterioration of said land or the improvements thereon at any time; to keep the buildings now or hereafter on said land fully insured in a sum of

not less than full insurable value with a company acceptable to the Mortgagee. The policy or policies to be held by, and payable to, said mortgagee. In the event any sum or money becomes payable by virtue of such insurance the mortgagee shall have the right to receive and apply the same to the indebtedness hereby secured.

In the event the Mortgagor fails to pay when due any tax, assessment, insurance premium or other sum of money payable by virtue of said note and this mortgage, or either, the Mortgagee may pay the same, without waiving or affecting the option to foreclose or any other right hereunder, and all such payments shall bear interest from date hereof at the highest lawful rate then allowed by the State of Florida.

AND, Mortgagor agrees further that Mortgagor shall reside in the mortgaged property as the Mortgagor's principal place of residence for the term of this Mortgage.

AND, Mortgagor further recognizes that any secondary or junior financing placed upon the mortgaged property, (a) may divert funds which would otherwise be used to pay the Note secured hereby; (b) could result in acceleration and foreclosure by any such junior encumbrance which would force Mortgagee to take measures and incur expenses to protect its security (s), (c) could detract from the value of the mortgaged property should Mortgagee's right to accept a deed in lieu of foreclosure, as a foreclosure by Mortgagee would be necessary to clear the title to the mortgaged property and (d) require the Mortgagor to have housing expenses which exceed the guidelines for affordability under the NSP program requirements.

In accordance with the foregoing and for the purposes of (i) protecting Mortgagee's security; (ii) giving Mortgagee the full benefit of its bargain and contract with Mortgagor; (iii) keeping the premises free of subordinate financing liens and (iv) meeting NSP program requirements for affordability, Mortgagor agrees that if this paragraph be deemed a restraint on alienation, that it is a reasonable one and that any sale, conveyance, assignment, further encumbrance or other transfer of title to the mortgaged property or any interest therein (whether voluntarily or by operation of law) without the Mortgagee's prior written consent, which may be withheld for any reason, shall be an Event of Default hereunder.

For the purpose of and without limiting the generality of the preceding sentence, the occurrence at any time of any of the following events shall be deemed to be an unpermitted transfer of title to the mortgaged property and therefore an Event of Default hereunder.

(a) any sale, conveyance, assignment or other transfer of or the grant of security interest in, all or any part of the title to the premises within thirty (30) years of the date of this Mortgage.

(b) any new or additional liabilities without the prior written consent of Mortgagee. Any consent by the Mortgagee, or any waiver of an event of default, under this paragraph shall not constitute a consent to, or waiver of any right, remedy or power of the Mortgagee upon a subsequent event of default under this paragraph.

If any sum of money herein referred to be not promptly paid within 15 days after the same becomes due, or if each and every agreement, stipulation, condition and covenant of said note and this mortgage, or either, are not fully performed, complied with and abided by, then the entire sum mentioned in said note, and this mortgage, or the entire balance unpaid thereon, shall forthwith or thereafter, at the option of the Mortgagee, become and be due and payable, anything in said note or herein to the contrary notwithstanding. Failure by the Mortgagee to exercise any of the rights or options herein provided shall not constitute a waiver of any rights or options under said note or this mortgage accrued or thereafter accruing.

IN WITNESS WHEREOF, the said mortgagor has hereunto signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in the presence of:

Witness:

(Signature)
Natasha Jean Louis, **Mortgagor**

Witness:

Witness:

N/A **(Signature)**

Witness:

PROPERTY ADDRESS:

**426 La Mancha Avenue
Royal Palm Beach, FL 33411**

**State of Florida
Palm Beach County**

The foregoing instrument was acknowledged before me this ____ day of _____, **2010**, by _____, who is personally known to me or who has produced Florida Driver's License as identification.

Notary Seal

Signature of Notary Public

SEAL

My Commission expires: _____
Commission No.: _____

Please Return To:

Palm Beach Housing & Community Development
100 Australian Avenue, 5th Floor
West Palm Beach, Florida 33406

ATTACHMENT B

PROMISSORY NOTE

NEIGHBORHOOD STABILIZATION PROGRAM (FMLP) SECOND MORTGAGE LOAN

Amount: **\$80,000.00**

Date: **October 20th, 2010**

Property Address: **426 La Mancha Avenue, Royal Palm Beach, FI 33411**

Place: Palm Beach County

FOR VALUE RECEIVED, the undersigned jointly and severally promise(s) to pay to the order of Palm Beach County, Florida, (herein called the "County"), acting by and through its Board of County Commissioners, the remaining balance on the principal sum of **Eighty Thousand Dollars and 00/100 (\$80,000.00)** dollars, which remaining balance shall be payable in full upon the sale, lease, or transfer of the property, identified and legally described in the Mortgage used to secure this Note, from the undersigned signing this Note (being the owner(s) having fee simple title to the mortgaged property) to any other person(s) without the prior written consent of the Mortgagee.

Upon the sale, transfer, conveyance or alienation of any part or all of the property within thirty (30) years of the date of this note, full repayment of the principal sum plus accrued interest, if any, plus any advancements made pursuant to the terms of the Mortgage, shall become immediately due and payable.

In the event of a refund of any governmental fees to the undersigned, the undersigned assigns such reimbursement directly to Palm Beach County to be credited towards the total amount due under this Note.

The undersigned reserve(s) the right to prepay at any time all or any part of the principal amount of this Note without the payment of penalties or premiums.

This Promissory Note and the Mortgage securing payment of this Promissory Note is expressly made subject and subordinate to the terms and conditions specified in that certain Promissory Note having an original principal face amount of **Seventy Thousand 00/100 (\$70,000.00)**, dated **October 20th, 2010** (the "First Note"), made by Borrower payable to **Palm Beach County Board of County Commissioners**.

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

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

If default be made in the performance of any of the covenants, understandings and agreements obtained and entered into to secure financing used in connection with this Note or in said Mortgage, then the entire unpaid principal amount of this Note, together with accrued interest computed **at a rate of eight percent per annum from the date of default**, shall become at once due and payable, at the option of the County, without notice to the undersigned, time being of the essence.

Failure of the County to exercise such option shall not constitute a waiver of such default, nor a waiver of the right to exercise the same in the event of any subsequent default. If this Note be reduced to judgment, such judgment shall bear the statutory interest due on judgments, but not to exceed eight percent per annum.

Thirty (30) years from the date of this Note, if the following two conditions have been met, the entire Note will be deemed satisfied and the Maker shall have no further obligation to the County under this Note:

1) There have been no defaults in the performance of any of the covenants, understandings and agreement obtained and entered into to secure financing used in connection with this Note or in said Mortgage; and

2) There has been no sale, transfer, conveyance or alienation of any part or all of the property secured in said Mortgage.

If suit is instituted by the County to recover on this Note, the undersigned agree(s) to pay all costs of such collection including reasonable attorney's fees and court costs at the trial and appellate levels.

THIS NOTE is secured by a Mortgage of even date herewith, duly filed for record in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida.

DEMAND, protest and notice of demand and protest are hereby waived, and the undersigned hereby waive(s), to the extent authorized by law, any and all homestead and other exemption rights, which otherwise would apply to the debt evidenced by this Note.

This Note has been duly executed by the undersigned as of its date, October 22nd, 2010.

Natasha Jean Louis (Signature)

N/A (Signature)

Property Address:

**426 La Mancha Avenue
Royal Palm Beach, FL 33411**