

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: August 14, 2012 [X] Consent [] Regular [] Public Hearing

Department

Submitted By: COUNTY ATTORNEY

Submitted For: DEPARTMENT OF ECONOMIC SUSTAINABILITY

I. EXECUTIVE BRIEF

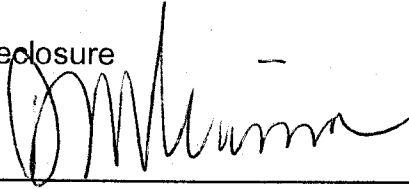
Motion and Title: Staff recommends motion to: **Approve** and accept a \$7,000 lump sum payment and a deed-in-lieu of foreclosure as part of a criminal plea agreement reached in *State of Florida vs. Sylvia Sharps*, Case No.: 2011CF009876AMB, and waive a deficiency judgment, if any.

Summary: The County is the servicer and owner of the first and second notes and mortgages in the amount of \$188,100 and \$24,700 respectively, loaned through the Neighborhood Stabilization Program, administered by DES. Contemporaneous with the default on her repayable loan payments, Sylvia Sharps was criminally charged with one count of "Organized Scheme to Defraud" and one count of "Obtaining Mortgage by Fraud." Rather than file a separate civil foreclosure action and incur additional costs related thereto, the County cooperated with the State Attorney's prosecution of Ms. Sharps in an effort to get the property back as part of a criminal plea agreement. Staff therefore recommends that acceptance of a \$7,000 lump sum payment and a deed-in-lieu of foreclosure as part of the criminal plea agreement against Sylvia Sharps is in the County's best interests. District 3 and Countywide (PGE)

Background and Justification: Although acceptance of the deed-in-lieu of foreclosure and the \$7,000 lump sum payment may result in a deficiency, as it is anticipated the current value of the property is less than the amount of the original loans, it was determined in the criminal discovery process that Ms. Sharps has limited assets and income, making collection on a deficiency judgment, unlikely. Moreover, obtaining the property at this early stage not only allows DES staff to utilize it in another County program that furthers the affordable housing goals in Palm Beach County, it prevents the borrower from remaining in possession of the premises and living rent free, pending the entry of a final judgment and subsequent foreclosure sale in a civil action.

Attachments:

- 1. Deed-in-Lieu of Foreclosure

Recommended by:  7/26/12
County Attorney Date

Approved by: N/A
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2012	2013	2014	2015	2016
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$7,000)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$7,000)</u>	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes ___ No X

Budget Account No.: Fund 1109 Department 143 Unit 1423 Rscd 6999

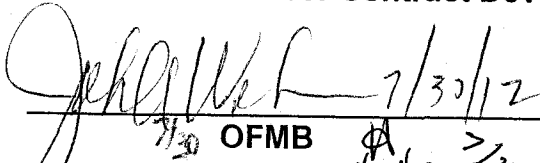

Reporting Category NS20/GY08

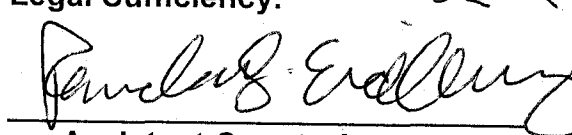
B. The fiscal impact associated with the approval of this Settlement Agreement will be the receipt of revenue by the Department of Economic Stability in the amount of \$7,000 from Sylvia Sharps and the current estimated market value of her property, which is undetermined at this time.

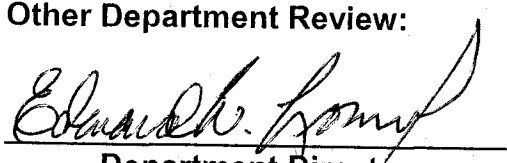
C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

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

 7/30/12
 OFMB
 JS
 7/21/12
 7/31/12
 Contract Development and Control

B. Legal Sufficiency:

 Assistant County Attorney

C. Other Department Review:

 Department Director

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

THIS INSTRUMENT PREPARED BY/RETURN TO:

Attention: Edward Lowery
Palm Beach County
Department of Economic Sustainability
100 Australian Avenue - 5th Floor
West Palm Beach, FL 33406
Prepared by: Pamela G. Eidelberg, Assistant County Attorney

DEED IN LIEU OF FORECLOSURE

THIS DEED IN LIEU OF FORECLOSURE, made this 20th day of July, 2012, between, SYLVIA LORETTA SHARPS a single woman, whose address is: P. O. Box 2184, West Palm Beach, FL 33402, Grantor, and Palm Beach County Department of Economic Sustainability, whose address is: 100 Australian Avenue, Suite 500, West Palm Beach, FL 33406, Grantee.

WITNESSETH, that said Grantor, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00), and other good and valuable considerations to Grantor in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold, with General Warranty of title, to Grantee, and Grantee's successors and assigns forever, the following described land, situate, lying and being in Palm Beach County, Florida, to-wit:

Legal description and Address of Property:

LOT 3, BLOCK 1, LAKE OF LANTANA PHASE 1-B, according to the Plat thereof as recorded in Plat Book 38, Page 122 to 124, of the Public Records of Palm Beach County, Florida.

Parcel Identification Number: 00-42-44-32-05-001-0030

Property address is: 8276 Blue Cypress Drive, Lake Worth, FL 33467.

TOGETHER with all the tenements, hereditaments, rights-of-way, easements, privileges and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND the Grantor hereby covenants with said Grantee that the Grantor is lawfully seized of said land in fee simple; that said land is free of all encumbrances other than any easements, rights-of-ways, restrictions and other similar encumbrances of record insofar as they may lawfully affect the land; that Grantor has good right and lawful authority to sell and convey said land; and that Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever.

THE CONSIDERATION FOR THIS DEED IN LIEU OF FORECLOSURE is the release of two Mortgage and Promissory Notes, the first dated January 29, 2010, in the principal amount of \$188,100.00, said Mortgage being recorded in the Official Records of Palm Beach County, Florida, at Official Records Book 23687, Page 1709, and the second, dated January 29, 2010, and recorded February 10, 2010, but modified by agreement on March 4, 2010, in the principal amount of \$24,700.00, said Second Mortgage being recorded in the Official Records of Palm Beach County, Florida, at Official Records Book 23687,

Page 1714, and said Modified Agreement being recorded in the Official Records of Palm Beach County, Florida, at Official Records Book 24484, Page 1530, mortgaged the property described herein, then owned by and in possession of the Grantor.

It is the intention of the parties that (i) there shall not be a merger of the fee simple title with the lien of such mortgage; (ii) the mortgage shall survive until such time as Grantee records a separate Satisfaction of Mortgage; (iii) this deed represents an absolute conveyance of title to the above-described premises to Grantee free of any equity of redemption by Grantor, and (iv) this deed is not given as additional security.

IN WITNESS WHEREOF, Grantor has hereunto set Grantor's hand and seal the day and year first above written.

Signed, sealed and delivered
in our presence:

Veronica Goggans
Witness (print name)

[Signature]
Witness (signature)

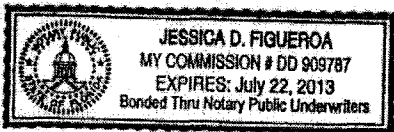
Erica McCleese
Witness (print name)

[Signature]
Witness (signature)

[Signature]
SYLVIA LORETTA SHARPS
(signature)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing Deed in Lieu of Foreclosure was acknowledged before me this 20th day of July, 2012, by Sylvia Loretta Sharps, who is personally known to me OR has produced _____ as identification.



Jessica D. Figueroa
NOTARY PUBLIC

Jessica D. Figueroa
Print, Type or Stamp
Commissioned Name of Notary