



Santa Rosa County Development Services



Beckie Cato, AICP
Planning and Zoning Director

Rhonda C. Royals
Building Official

MEMORANDUM

TO: Board of County Commissioners

FROM: Erin Malbeck, Housing Program Coordinator

THROUGH: Beckie Cato, AICP, Planning Director

SUBJECT: State Housing Initiatives Partnership (SHIP)
Second Mortgage Subordination Request
4292 Avenida San Marcus, Pace, FL 32571
13-1N-29-0000-11600-0000

DATE: February 12, 2016

RECOMMENDATION

Board approval of the request submitted on behalf of homeowner to execute a subordination agreement to be recorded in connection with a refinance of the first mortgage in the approximate amount of \$71,600.00.

BACKGROUND

SHIP Second Mortgage:	\$7,500.00
Recorded:	8/30/2007
Purpose:	SHIP First Time Homebuyer Assistance

Proposal is to reduce the annual interest rate on the first mortgage from 5.39% to 4.00%

Current monthly principal and interest: \$468.92
Proposed monthly principal and interest: \$529.62

The refinance and subordination request meets two of the three established guidelines:
Reduce the mortgage interest rate
Not provide any cash out

One of the three established guidelines is to reduce the monthly mortgage payment; however, in this case, the homeowner is going from a 30 year fixed rate mortgage to a 15 year fixed rate mortgage, resulting in a principle/interest payment increase of \$60.70. The total monthly payment (payment, interest, taxes and insurance) will only increase by \$9.02, due to the elimination of Mortgage Insurance Premium costs.

Santa Rosa County Public Service Complex
6051 Old Bagdad Highway, Suite 202 Milton, Florida 32583
www.santarosa.fl.gov
Office: (850) 981-7000