

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AUTHORIZING EXECUTIVE DIRECTOR OF THE HOUSING AUTHORITY OF THE CITY OF KEY WEST TO EXECUTE CITY OF KEY WEST LOCAL HOUSING ASSISTANCE PLAN MORTGAGE SUBORDINATION DOCUMENTS FOR THE PURPOSE OF ALLOWING THE REFINANCE OF EXISTING PRIMARY MORTGAGE LOANS AT IMPROVED TERMS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City has entered in to an Administrative Agreement with the Housing Authority for the management of the Community Development Office, with fiduciary responsibility to act in the best interest of the City of Key West; and

WHEREAS, the City authorized the Housing Authority of the City of Key West, Florida to act as the agent for the City of Key West in the implementation of the City's Local Housing Assistance Plan; and

WHEREAS, the City of Key West Local Housing Assistance Plan has made subordinate mortgage loans under said program; and

WHEREAS, the Florida Housing Finance Corporation has adopted the criteria set forth below when considering a subordination request from mortgage borrowers under the HOME Single Family Programs; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: The Executive Director of the Housing Authority of the City of Key West is hereby authorized to execute Mortgage Subordinations in the form attached hereto as Exhibit "A" when the following conditions are present:

- (a) The proposed primary mortgage loan has a rate or other terms that is an improvement in the rate or terms of the existing primary mortgage loan.
- (b) The amount of the proposed primary mortgage loan does not exceed the sum of the existing mortgage loan payoff and the closing costs as documented on a proposed HUD-1 Settlement Statement.
- (c) The sum of the proposed primary mortgage and the existing Local Housing Assistance Plan mortgage loan does not exceed 105% of the value of the property as reflected on a property appraisal.

Passed and adopted by the City Commission at a meeting held this ____ day of _____, 2012.

Authenticated by the presiding officer and Clerk of the Commission on the ____ day of _____, 2012.

Filed with the Clerk on _____, 2012.

CRAIG CATES, MAYOR

ATTEST:

CHERYL SMITH, CITY CLERK