

--This Document Prepared by,
Marion County Community Services
2710 E. Silver Springs Blvd.
Ocala, Florida 34470
Parcel ID#1470-010-007
Rec. \$ _____

SUBORDINATION AGREEMENT

WHEREAS the undersigned is the owner and holder of that certain Mortgage/Lien entitled "**SHIP LOAN AGREEMENT FOR PURCHASE ASSISTANCE**" executed by J. S ANTANA ARENAS PALACIOS AND PINITA HERNANDEZ ARENAS, HUSBAND AND WIFE, (BORROWER) to Marion County, a political subdivision of the State of Florida, to secure an original loan of State Housing Initiatives Program ("SHIP") funds in the amount of **Twenty Thousand Dollars (\$20,000.00)**, dated the 5th day **DECEMBER, 2002** and secured by a mortgage recorded in Official Records Book **03299** Pages **0502-0505** of the Public Records of Marion County, Florida, ("SHIP Mortgage") encumbering the following:

Lot 7, Block 10, Ocala Highlands Estates, according to the Plat thereof recorded in Plat Book K, Page 1, Public Records of Marion County, Florida. Parcel ID #1470-010-007

The property address is 6400 NW 13th AVENUE, OCALA, FLORIDA, 34475

WHEREAS BORROWER now seeks to use a portion or all of the lands aforesaid as security for a different and additional loan for the purpose of refinancing from **Campus USA Credit Union** ("LENDER"); said mortgage to LENDER being dated _____, 20____ ("LENDER MORTGAGE") and recorded in Official Records Book ____, Page ____, of the Public Records of Marion County, Florida, by LENDER as Mortgagee to BORROWER as Mortgagor securing payment of a note in the amount of \$ _____, dated _____, with interest from the date hereof unpaid principal at the rate of _____ % per annum, with principal and interest payable in monthly installments of \$ _____.

WHEREAS LENDER would not close its loan and disburse the proceeds therefrom to BORROWER unless the LENDER MORTGAGE was in a first lien position, superior in right and dignity to the lien of the SHIP MORTGAGE held by the undersigned.

NOW THEREFORE, for and in consideration of ONE DOLLAR (\$1.00) in hand paid by LENDER, receipt whereof is hereby acknowledged, and to induce LENDER to disburse the proceeds of its LENDER MORTGAGE loan aforescribed, the undersigned does hereby agree as follows:

1. The SHIP MORTGAGE together with the indebtedness secured thereby, is owned by the undersigned and neither said mortgage nor said indebtedness has been assigned, transferred, or pledged to any person whomsoever, so that the undersigned has full right and authority to execute this Subordination Agreement.
2. The SHIP MORTGAGE is hereby declared to be of all times inferior and subordinate in lien, right and dignity to the LENDER MORTGAGE held by LENDER, just as though said LENDER MORTGAGE was executed, recorded and closed prior to the execution of the SHIP MORTGAGE herein subordinated. The undersigned waives the priority of the SHIP MORTGAGE in so far as the LENDER MORTGAGE is concerned but not otherwise.

IN WITNESS WHEREOF, the undersigned has caused these presents to be duly executed this _____ day of _____, 2021.

**MARION COUNTY, A POLITICAL SUBDIVISION
OF THE STATE OF FLORIDA**

By: _____
Jeff Gold, Chairman
Marion County Board of County Commissioners

ATTEST:

**Gregory C. Harrell,
Clerk of Court and Comptroller**



Marion County Board of County Commissioners

Community Services

2710 East Silver Springs Blvd.
Ocala, FL 34470
Phone: 352-671-8770
Fax: 352-671-8769

APPLICATION REQUEST FOR SUBORDINATION

The following information is needed in order for the Marion County Purchase Assistance Program to determine if a Subordination Agreement can be granted. Please complete this form and fax the completed form to 352-671-8769 or mail to Marion County Community Services 2710 E Silver Springs Blvd., Ocala, FL 34470.

1. NAME APPLICANT: J SANTANA ARENAS PALACIOS & PINITA HERNANDEZ ARENAS	DATE: <u>7/10/2021</u>
2. TYPE OF SHIP LOAN: REHABILITATION EMERGENCY REPAIR	<input checked="" type="checkbox"/> PURCHASE ASSISTANCE
3. NAME OF YOUR CURRENT MORTGAGE COMPANY: COMMUNITY LOAN SERVICING	
4. WHAT IS YOUR CURRENT MONTHLY PRINCIPAL AND INTEREST PAYMENT? <u>268.57</u>	
5. WHAT IS THE REASON THAT YOU WANT TO REFINACE YOUR MORTGAGE? <u>For a lower interest rate and lower term</u>	
6. ARE YOU BEHIND ON YOUR PAYMENTS? <u>NO</u>	
7. CURRENT LOAN BALANCE \$ <u>50,572.39</u>	CURRENT INTEREST RATE? <u>5%</u> %
8. WHO WILL HOLD THE NEW LOAN (NAME OF LENDER)? CAMPUS USA CREDIT UNION	
9. AMOUNT OF NEW LOAN: \$ <u>53,200</u>	
10. INTEREST RATE OF NEW LOAN: <u>2.875</u>	%
11. APPRAISED VALUE OF HOME: \$ <u>164,000</u>	
12. DATE SUBORDINATION NEEDED: <u>as soon as possible</u>	
13. HAVE YOU RECEIVED A GOOD FAITH ESTIMATE FROM THE LENDER? YES	
WILL YOU RECEIVE MONEY BACK AT CLOSING? <u>NO</u>	
14. CONTACT PERSON AND PHONE & FAX NUMBER OF BANK/MORTGAGE COMPANY YOU WISH TO REFINACE WITH: SAMANTHA CUYUN PHONE: 352-335-9090 EXT. 10218 FAX: 352-900-5171	
SIGNATURE OF APPLICANT(S) <u>J. Santana Arenas</u> <u>Palacios</u> <u>Pinita Hernandez</u> PHONE: <u>352 207 8877 / 352 875 3245</u>	

****NOTE: A PRELIMINARY CLOSING DISCLOSURE MUST BE SUBMITTED WITH THIS FORM. ****

****THIS PROCESS CAN TAKE 4-6 WEEKS TO COMPLETE****

~~ If you should have any questions, please contact Community Services at 352-671-8770.

We will confirm receipt of application once we receive.

Empowering Marion for Success

marionfl.org



Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information		Transaction Information		Loan Information	
Date Issued	7/15/2021	Borrower	J Santana Arenas-Palacios 6400 NW 13TH Ave Ocala, FL 34475	Loan Term	10 years
Closing Date	8/16/2021			Purpose	Refinance
Disbursement Date	8/20/2021			Product	Fixed Rate
Settlement Agent	None	Seller		Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
File #				Loan ID #	0010223618
Property	6400 NW 13TH Ave Ocala, FL 34475	Lender	Campus USA Credit Union	MIC #	
Appraised Prop. Value	\$164,000				

Loan Terms		Can this amount increase after closing?	
Loan Amount	\$53,200 ✓	NO	
Interest Rate	2.875% ✓	NO	
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$510.64	NO	
Prepayment Penalty			Does the loan have these features?
		NO	
Balloon Payment		NO	

Projected Payments		Years 1 - 10	
Payment Calculation			
Principal & Interest		\$510.64	
Mortgage Insurance		+ 0	
Estimated Escrow <small>Amount can increase over time</small>		+ 173.99	
Estimated Total Monthly Payment		\$684.63	
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time See page 4 for details</small>	\$173.99 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Prop Taxes	In escrow? <input type="checkbox"/> NO <input type="checkbox"/> SOME <input checked="" type="checkbox"/> YES
		<small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>	

Costs at Closing	
Closing Costs	\$2,312.74 Includes \$714.00 in Loan Costs + \$1,598.74 in Other Costs -\$0 in Lender Credits. See page 2 for details.
Cash to Close	\$0 ✓ Includes Closing Costs See Calculating Cash to Close on page 3 for details.

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges		\$532.00			
01 % of Loan Amount (Points)					
02 Origination Charge		\$532.00			
03					
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For		\$182.00			
01 Appraisal Fee	to Appraiser Company	\$25.00			
02 Tax Monitoring Fee	to Campus USA Credit Union for Fnis	\$77.00			
03 Title - Search	to Campus USA Credit Union	\$80.00			
04					
05					
06					
07					
08					
09					
10					
C. Services Borrower Did Shop For					
01					
02					
03					
04					
05					
06					
07					
08					
D. TOTAL LOAN COSTS (Borrower-Paid)		\$714.00			
Loan Costs Subtotals (A + B + C)		\$714.00			
Other Costs					
E. Taxes and Other Government Fees		\$361.20			
01 Recording Fees	Deed: Mortgage: \$175.00	\$175.00			
02 Mortgage Stamp Fee	to Other	\$186.20			
F. Prepads		\$50.28			
01 Homeowner's Insurance Premium (mo.)					
02 Mortgage Insurance Premium (mo.)					
03 Prepaid Interest (\$4.19 per day from 8/20/21 to 9/1/21)		\$50.28			
04 Property Taxes (mo.)					
05					
G. Initial Escrow Payment at Closing		\$1,187.26			
01 Homeowner's Insurance \$102.33 per month for 6 mo.		\$613.98			
02 Mortgage Insurance per month for mo.					
03 Property Taxes per month for mo.					
04 Property Taxes \$71.66 per month for 8 mo.		\$573.28			
05					
06					
07					
08 Aggregate Adjustment					
H. Other					
01					
02					
03					
04					
05					
06					
07					
08					
I. TOTAL OTHER COSTS (Borrower-Paid)		\$1,598.74			
Other Costs Subtotals (E + F + G + H)		\$1,598.74			
J. TOTAL CLOSING COSTS (Borrower-Paid)		\$2,312.74			
Closing Costs Subtotals (D + I)		\$2,312.74			
Credits					

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$2,392.00	\$2,312.74	YES • See Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$0	NO
Closing Costs Financed (Paid from your Loan Amount)	-\$2,392.00	-\$2,312.74	YES • You included these Closing Costs in your Loan Amount, which increased your Loan Amount
Down Payment/Funds from Borrower	\$0	\$0	NO
Deposit	\$0	\$0	NO
Funds for Borrower	-\$4.00	\$0	YES • This amount decreased
Seller Credits	\$0	\$0	NO
Adjustments and Other Credits	\$0	\$0	NO
Cash to Close	-\$4.00	\$0	

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION

K. Due from Borrower at Closing

01 Sale Price of Property \$53,200.00
 02 Sale Price of Any Personal Property Included in Sale
 03 Closing Costs Paid at Closing (J) \$2,312.74
 04 Final Payoffs - See Addendum \$50,887.26

Adjustments

05
 06
 07

Adjustments for Items Paid by Seller in Advance

08 City/Town Taxes to
 09 County Taxes to
 10 Assessments to
 11
 12
 13
 14
 15

L. Paid Already by or on Behalf of Borrower at Closing

01 Deposit
 02 Loan Amount \$53,200.00 ✓
 03 Existing Loan(s) Assumed or Taken Subject to
 04
 05 Seller Credit

Other Credits

06
 07

Adjustments

08
 09
 10
 11

Adjustments for Items Unpaid by Seller

12 City/Town Taxes to
 13 County Taxes to
 14 Assessments to
 15
 16
 17

CALCULATION

Total Due from Borrower at Closing (K) \$53,200.00
 Total Paid Already by or on Behalf of Borrower at Closing (L) -\$53,200.00

Cash to Close **From** **To Borrower**

SELLER'S TRANSACTION

M. Due to Seller at Closing

01 Sale Price of Property
 02 Sale Price of Any Personal Property Included in Sale
 03
 04
 05
 06
 07
 08

Adjustments for Items Paid by Seller in Advance

09 City/Town Taxes to
 10 County Taxes to
 11 Assessments to
 12
 13
 14
 15
 16

N. Due from Seller at Closing

01 Excess Deposit
 02 Closing Costs Paid at Closing (J)
 03 Existing Loan(s) Assumed or Taken Subject to
 04 Payoff of First Mortgage Loan
 05 Payoff of Second Mortgage Loan
 06
 07
 08 Seller Credit
 09
 10
 11
 12
 13

Adjustments for Items Unpaid by Seller

14 City/Town Taxes to
 15 County Taxes to
 16 Assessments to
 17
 18
 19

CALCULATION

Total Due to Seller at Closing (M)
 Total Due from Seller at Closing (N)

Cash to Close **From** **To Seller**

Additional Information About This Loan

Loan Disclosures

Assumption

If you sell or transfer this property to another person, your lender will allow, under certain conditions, this person to assume this loan on the original terms.
 will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
 does not have a demand feature.

Late Payment

If your payment is more than 10 days late, your lender will charge a late fee of 5% of your *overdue payment of principal and interest*.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
 may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.

do not have a negative amortization feature.

Partial Payments

Your lender

may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
 may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
 does not accept any partial payments.
If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in
6400 NW 13TH Ave, Ocala, FL 34475

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your escrowed property costs:
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs:
		You may have other property costs.
Initial Escrow Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment		The amount included in your total monthly payment.

will not have an escrow account because you declined it your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$62,040.95
Finance Charge. The dollar amount the loan will cost you.	\$8,735.95
Amount Financed. The loan amount available after paying your upfront finance charge.	\$52,540.72
Annual Percentage Rate (APR) Your costs over the loan term expressed as a rate. This is not your interest rate.	3.136%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	15.276%

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not received it yet, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.

state law does not protect you from liability for the unpaid balance.

Refinance

Refinancing this loan will depend on your future financial situation, the property value, and market conditions. You may not be able to refinance this loan.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Contact Information

Name	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Address	Campus USA Credit Union Po Box 147029, Gainesville, FL 32614				
NMLS ID	799574				
FL License ID					
Contact					
Contact NMLS ID	805350				
Contact FL License ID					
Email					
Phone					

Confirm Receipt

By signing, you are only confirming that you have received this form. You do not have to accept this loan because you have signed or received this form.

Addendum

Transaction Information

Borrower

Pinita Hernandez Arenas
6400 NW 13TH Ave
Ocala , FL 34475

Summaries of Transactions

BORROWER'S TRANSACTION

K. Due from Borrower at Closing

04a Payoff to \$83.26 Principal Reduction	\$83.26
04b Payoff to CommunInserv for Mortgage Loan	\$50,804.00

Prepared by and Return to:
Brandie Bennett
Brick City Title Insurance
2143 SE Fort King Street, Suite 102
Ocala, Florida 34471

RETURN TO:
Evelyn Rusciolelli
Marion County Community Services
1025-A SW 1st Avenue
Ocala, Florida 34474

DAVID R ELLSPERMANN
CLERK OF MARION COUNTY
BK 03299 PG 0502
FILE NUM 2002139986
RECORDED 12/12/2002 11:55:22 AM
MTG DOC TAX 70.00
RECORDING FEES 19.50
RECORDED BY D Miller

Prepared by:
Evelyn Rusciolelli
1025-A SW 1st Avenue
Ocala, Florida 34474

**SHIP LOAN AGREEMENT
FOR PURCHASE ASSISTANCE**

This agreement for State Housing Initiatives Partnership (SHIP) purchase assistance is made this 5TH day of DECEMBER, 2002 between Marion County, a political subdivision of the State of Florida ("County") and J. SANTANA ARENAS PALACIOS AND PINITA HERNANDEZ ARENAS, HUSBAND AND WIFE as purchaser(s") Purchaser(s) of certain real property located at 6400 NW 13TH AVENUE, OCALA, FLORIDA, 34475 within Marion County, Florida, and legally described as: Lot 7, Block 10, Ocala Highlands Estates, according to the Plat thereof recorded in Plat Book K, Page 1, Public Records of Marion County, Florida. Parcel ID# 1470-010-007

WHEREAS, the County is the Administrator of the SHIP Program; and

WHEREAS, pursuant to law, the State of Florida has made available to the Purchaser(s), through the County, certain funds to be used in the purchase of newly constructed or substantially rehabilitated housing for families and individuals of very-low, low, or moderate-income; and

WHEREAS, the Purchaser(s) will occupy the property which will be assisted using SHIP funds as their principal residence; and

WHEREAS, the SHIP Program does not allow speculation and windfall profit from the sale of properties assisted with said funds; and

WHEREAS, this Agreement shall constitute a lien on the property as described above until released as provided herein;

NOW, THEREFORE in consideration of the financial assistance granted herein, the purchaser(s) covenants and agrees as follows:

1. SHIP funds in the amount of **\$20,000.00** has been provided as a deferred payment, no interest loan to the Purchaser(s) for the purpose of down payment and closing cost assistance in the purchase of the above described property, as specified in the Promissory Note (Exhibit A) accompanying this SHIP Loan Agreement.
2. The Purchaser(s) will use the property as the primary residence and will not rent or lease said property. If the subject property is refinanced, transferred or sold, either voluntarily or by operation of law, the purchaser(s) shall return to the County the total amount of assistance provided. This provision shall not apply to a transfer or sale from one spouse to the other as long as the transferee or grantee spouse has executed this Agreement or another agreement agreeing to abide by all of the terms of this Agreement. In the event that the sole Purchaser should die, or upon the death of the survivor of Joint Purchasers, the obligations created herein shall be binding upon the Estate, personal representative, heirs, or devisees of the deceased Purchaser.

Transfer means any transfer of the property by deed or otherwise, possession of the property for occupancy by one other than the original Purchaser(s) whether by contract for deed, lease or otherwise. The County reserves the right to forgive any portion of the SHIP assistance should there be insufficient net proceeds coming to the Purchaser(s) from the sale or transfer of the property.

Net proceeds is defined as the amount remaining after all private debt is repaid. Should there be insufficient net proceeds to fully repay the SHIP subsidy the County may allow the Purchaser(s) to receive their original down payment amount prior to the County receiving reimbursement of SHIP funds.

3. Purchaser(s) agree to abide by and be subject to all applicable stipulations, agreements, conditions, and covenants of this Agreement, s. 420.907, Florida Statutes, and Rule 91-37, Florida Administrative Code, copies of which are furnished herewith. Purchaser(s) agree to all SHIP Program guidelines, second mortgage requirements, and recapture provisions. Purchaser(s) shall duly pay all taxes, all insurance premiums reasonably required, and keep the buildings on the premises in good repair and preservation.
4. Purchaser(s) understands and agrees that this Agreement shall be recorded in the public records of Marion County, Florida, and that this Agreement shall be a legal and binding contract between Marion County and the undersigned Purchaser(s) and a lien on the property described herein, enforceable in the courts of the State of Florida.

5. This Agreement will terminate upon the repayment of the SHIP funds or the forgiveness by the County as provided herein. Upon termination the County shall execute a release from this Agreement and Promissory Note which shall be recorded in the public records of Marion County, Florida.

IN WITNESS THEREOF, the parties hereto executed this Agreement on the 5TH day of DECEMBER, 2002.

GRANTOR: BOARD OF COUNTY
COMMISSIONERS, MARION COUNTY, FLORIDA



By: Evelyn Rusciolelli, Director
Address: 1025-A SW 1st Avenue, Ocala, FL 34474

ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 5TH day of DECEMBER, 2002, by Evelyn Rusciolelli, Director.



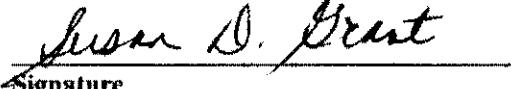

Signature of Notary Public
Luz Maria Rodriguez
Print, Type or Stamp Name of Notary

Personally Known Produced Identification _____
Type of Identification Produced _____

WITNESSES:


Signature

BRANDIE P. BENNET


Signature

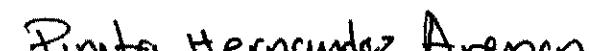
SUSAN D. GRANT

Print Name

PURCHASER(S):


Signature

J. SANTANA ARENAS PALACIOS


Signature

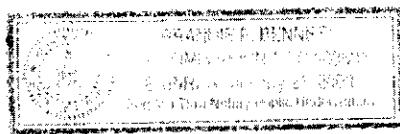
PINITA HERNANDEZ ARENAS

Print Name

ACKNOWLEDGMENT

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 5TH day of DECEMBER, 2002 by
J. SANTANA ARENAS PALACIOS AND PINITA HERNANDEZ ARENAS.


Signature of Notary Public
BRANDIE P. BENNET

Print, Type or Stamp Name of Notary

Personally Known Produced Identification _____
Type of Identification Produced FLDL

RETURN TO:
Evelyn Rusciolelli
Marion County Community Services
1025-A SW 1st Avenue
Ocala, Florida 34474

Prepared by:
Evelyn Rusciolelli
1025-A SW 1st Avenue
Ocala, Florida 34474

EXHIBIT "A"

PROMISSORY NOTE

\$20,000.00

DATED: DECEMBER 5, 2002

FOR VALUE RECEIVED, the undersigned, jointly and severally if there be more than one, (collectively, the "Borrower") promises to pay to the Marion County Board of County Commissioners, Local Housing Assistance Trust Fund, Marion County, Florida, its successor or assigns ("Lender") or order, the principal sum of TWENTY THOUSAND DOLLARS AND ZERO CENTS (\$20,000.00) with interest thereon at the rate of (0%) zero percent per annum on the unpaid balance from the above date until fully paid. Payment shall be due upon sale, transfer, or refinance of the real property assisted with SHIP funds.

Sums due under this NOTE shall be payable to the Marion County Local Housing Assistance Trust Fund, Marion County, Florida, 1025-A SW 1st Avenue, Ocala, Florida 34474, or such other place as the Note holder may designate.

This Note is secured by a lien on real and personal property (the "Property") located in Marion County, Florida, pursuant to a SHIP Loan Agreement for Purchase Assistance (the "Mortgage") held by Lender. Borrower shall not sell, lease or transfer all or any part of the Property or any interest therein, including transfer by judicial sale or any other voluntary or involuntary transfer, without Lender's prior written consent prior to Discharge.

Borrower has the option and privilege of prepaying all or any part of the outstanding principal balance evidenced by this Note without premium, penalty or charge.

Nothing contained in this Note shall be deemed or construed to create the relationship of partner or joint venture as between Lender and Borrower, it being agreed and understood that the only relationship between the parties is that of lender and borrower, hereunder are only intended to compensate Lender for its agreement to make the loan evidence by this Note, market conditions as of the date of this Note considered.

Borrower, and all other persons or entities who are or may become liable on the indebtedness evidenced by this Note, agree jointly and severally, to pay all costs of collection, including reasonable attorneys' fees and all costs of any action or proceeding (including but without limitation commencement of non-judicial foreclosure or private sale), in case the unpaid principal sum of this Note is not paid when due, or in case it becomes necessary to enforce any other obligation of Borrower hereunder or to protect the security for the indebtedness evidenced hereby, or for the foreclosure by Lender of the Mortgage, or in the event Lender is made a party to any litigation because of the existence of the indebtedness evidenced by the Note, whether suit be brought or not, and whether through courts or original jurisdiction, as well as in courts of appellate jurisdiction, or through a bankruptcy court or other legal proceedings. Borrower acknowledges that all such costs are secured by the Mortgage. As used herein "attorneys' fees" shall be deemed to include fees incurred in appellate, bankruptcy and post-judgment proceedings and shall be deemed to include charges for paralegal, law clerks, and other staff members operating under the supervision of an attorney. Any payment or award of attorney's fees shall include as part thereof any and all sales and/or use taxes imposed thereon by any appropriate governmental authority.

Borrower, and all persons or entities who are, or may become, liable for all or any part of this indebtedness, jointly and severally, waive diligence, presentment, protest and demand, notice of protest of demand, of nonpayment, of dishonor and of maturity and agree that time is of the essence of every provision hereof; and they also jointly and severally hereby consent to any and all renewals, extensions or modifications agreed to by Borrower and Lender of the terms hereof or of the Mortgage, or any of them, including time for payment, and further agree that any such renewal, extension or modification, or the release or substitution of any person or security for the indebtedness evidenced hereby, shall not affect the liability of any of such parties for the indebtedness evidenced by this Note or the obligations under the Mortgage. Any such renewals, extensions, modifications, releases or substitutions may be made without notice to any of such parties other than Borrower.

Lender shall have the right, at any time and from time to time, at its sole option and in its sole discretion, to waive all or any part of any charge due Lender hereunder, but such waiver shall be effective only if made in writing and shall not extend to or constitute a waiver of the same or any other term or provision herein contained or contained in the Mortgage.

The rights and remedies of Lender as provided in this Note and in the Mortgage, shall be cumulative and concurrent and may be pursued singly, successively or together against Borrower, the Property incumbered by the Mortgage, or any other persons or entities who are, or may become, liable for all or any part of this indebtedness, or any and other funds, property or security held by Lender for payment hereof, or otherwise, at the sole discretion of Lender. Failure to exercise any such right or remedy shall in no event be construed as a waiver or release of such rights or remedies, or the right to exercise them at any later time. The acceptance by Lender of payment hereunder that is less than any payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of the right to exercise any of the foregoing options at that time or at any subsequent time or nullify any prior exercise of any such option without the express written consent of Lender. The right, if any, of Borrower, and all other persons or entities, who are, or may become, liable for all or any part of this indebtedness, to plead any and all statutes of limitation as a defense to any demand on this Note or Mortgage or any other documents executed in connection with the loan evidenced by this Note, is expressly waived by each and all of such parties to the full extent permissible by law.

The borrower hereby waives trial by jury in any action or proceeding to which the Borrower and the Lender may be parties, arising out of or in any way pertaining to the Loan. This waiver is knowingly, willingly, and voluntarily made by the Borrower, and the Borrower hereby represents that no representation of fact or opinion has been made by any individual to induce this waiver of trial by jury or to in any way, modify or nullify its effect.

This Note is to be construed and enforced according to the laws of the State of Florida.

This Note consists of two (2) pages.

Signatures Thomas Patchett
Borrower

J. SANTANA ARENAS PALACIOS

Print Name

Pinita Hernández Arenas.
Borrower

PINITA HERNANDEZ ARENAS

Print Name

STATE OF FLORIDA

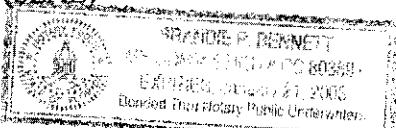
STATE OF OHIO
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 5TH day of DECEMBER, 2002.

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 5TH DAY OF DECEMBER, 2002 BY
J. SANTANA ARENAS PALACIOS AND RINITA HERNANDEZ ARENAS.

SANTANA ARENAS PALACIOS AND PINITA HERNANDEZ ARENAS, who has produced

(SFAL)



Notary Public Signature

BRANDIE P. BENNETT

Print Name