



**RESOURCE  
MANAGEMENT AGENCY  
COUNTY OF TULARE  
AGENDA ITEM**

**BOARD OF SUPERVISORS**

KUYLER CROCKER  
District One

PETE VANDER POEL  
District Two

AMY SHUKLIAN  
District Three

J. STEVEN WORTHLEY  
District Four

MIKE ENNIS  
District Five

**AGENDA DATE:** May 8, 2018

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
CONTACT PERSON: Celeste Perez PHONE: (559) 624-7010				

**SUBJECT:** Approve Short Sale Request of Real Property

**REQUEST(S):**

That the Board of Supervisors:

1. Approve the short sale of real property located at 33079 Hawthorne Road, Ivanhoe.
2. Approve forgiveness of a County loan in the amount of approximately \$21,000.
3. Authorize the Resource Management Agency Associate Director to sign any and all documents pertaining to the short sale.

**SUMMARY:**

On October 23, 2007, the State of California, Department of Housing and Community Development (HCD) awarded the County \$600,000 in CalHome grant funds to finance housing rehabilitation programs. The County in cooperation with Central Valley Christian Housing, Inc. (CVC) was able to assist fifteen (15) families with housing rehabilitation assistance. Loans funded under this program are deferred for thirty (30) years with zero (0) percent interest. Loans would become due and payable upon sale of the property or at the end of the 30-year term.

On September 20, 2009, the County approved a loan to Jerry Cole in the amount of \$22,500 in a second lien position to help finance the rehabilitation of this home in Ivanhoe. The County recorded a Deed of Trust in the amount of \$22,500 on September 23, 2009 as Instrument No. 2009-0059239. At the time of loan approval, Mr. Cole already had a first mortgage in the amount of \$109,000 recorded against the property.

Mr. Cole passed away on October 30, 2016. A Notice of Default and Election to Sell under Deed of Trust was recorded October 2, 2017. An Administrator's Deed

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transferring the property to Kima David, child of the deceased, was recorded on February 26, 2018. Ms. David is living in the home at this time but has not been making mortgage payments. According to a mortgage statement dated 12/18/17, the first mortgage is \$10,762.30 in arrears.

On April 4, 2018 staff was contacted by Gil's Real Estate of Ceres requesting a short sale approval in order to avoid foreclosure. Ocwen Loan Servicing LLC has been assigned the primary Deed of Trust and approved the short sale in the amount of \$40,000. Ocwen would pay a maximum of eight (8) percent of the junior lien amount to any junior lien holders. The attached Settlement Statement details the disbursement of estimated proceeds.

It is estimated that the County's CalHome Reuse Funds will receive \$1,792 from the proceeds of the sale. This is \$20,708 short of the original loan amount of \$22,500. As such, the remaining balance of approximately \$21,000 will have to be forgiven. One offer has been received on the home and escrow is ready to close upon approval of this request and acceptance of the offer by Ocwen.

**FISCAL IMPACT/FINANCING:**

There is no net County cost to the General Fund.

Staff time and loan servicing costs for the CalHome Program are provided by CalHome Reuse Funds, Budget No. 001-230-4215.

Forgiving a major portion of this loan has no fiscal impact on the County. The County received these funds as a non-repayable grant with a requirement to issue 30-year deferred payment loans with a zero percent interest rate to program recipients for the cost of rehabilitating their homes.

All proceeds from repayments of housing rehabilitation loans have to be placed into the CalHome Reuse Account and can only be utilized for CalHome eligible activities such as housing rehabilitation and downpayment assistance. Five percent of repayments can be utilized for administrative costs such as loan servicing.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

The County's five-year strategic plan includes the Quality of Life initiative to promote public health and welfare and the Economic Well-Being initiative to promote effective growth management and quality standard of living.

**ADMINISTRATIVE SIGN-OFF:**



Michael Washam  
Associate Director



Reed Schenke, P.E.  
Director

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Cc: Auditor-Controller  
County Counsel  
County Administrative Office (2)

Attachment(s): Attachment A – Estimated Settlement Statement

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER TO APPROVE SHORT ) Resolution No. \_\_\_\_\_  
SALE REQUEST OF REAL PROPERTY )

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY  
SUPERVISOR \_\_\_\_\_, THE FOLLOWING WAS ADOPTED BY THE BOARD  
OF SUPERVISORS, AT AN OFFICIAL MEETING HELD MAY 8, 2018, BY THE  
FOLLOWING VOTE:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST: MICHAEL C. SPATA  
COUNTY ADMINISTRATIVE OFFICER/  
CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_  
Deputy Clerk

\* \* \* \* \*

1. Approved the short sale of real property located at 33079 Hawthorne Road, Ivanhoe.
2. Approved forgiveness of a County loan in the amount of approximately \$21,000.
3. Authorized the Resource Management Agency Associate Director to sign any and all documents pertaining to the short sale.

Attachment "A"  
Estimated Settlement Statement



American Land Title Association

ALTA Settlement Statement - Seller

Adopted 05-01-2015

File No.: 5005-5640101

First American Title Company

Printed: 04/03/2018, 2:49 PM

Officer/Escrow Officer: Juan Tavares/JT

1601 I Street, Suite 300 • Modesto, CA 95354

Settlement Location:

Phone: (209)529-5000 Fax: (866)386-0973

1601 I Street, Suite 300, Modesto, CA 95354

Estimated Settlement Statement



Property Address: 33079 Hawthorne Road, Ivanhoe, CA 93235

Buyer: Gadmy Properties LLC

Seller: Jerry L. Cole

Lender:

Settlement Date: 05/04/2018

Disbursement Date:

Description	Seller	
	Debit	Credit
<b>Financial</b>		
Sale Price		40,000.00
<b>Title Charges &amp; Escrow / Settlement Charges</b>		
Eagle Owners Policy to First American Title Company	440.00	
Escrow Fee to First American Title Company	500.00	
<b>Commission</b>		
Real Estate Commission to Gil's Real Estate	1,200.00	
Real Estate Commission to Ricardo U. Gil	1,200.00	
<b>Government Recording and Transfer Charges</b>		
County Documentary Transfer Tax to Tulare County Recorder	44.00	
<b>Payoff(s) and Payment(s)</b>		
To be Determined		
Net funds to To be Determined	34,369.74	
To be Determined		
Principal Balance to To be Determined	1,792.00	
<b>Miscellaneous</b>		
Natural Hazard Disclosure to To be Determined	129.00	
Tax Installment:2nd half to Tulare County Tax Collector	325.26	
<b>Subtotals</b>	40,000.00	40,000.00
Due From/To Seller		
<b>Totals</b>	40,000.00	40,000.00

Escrow related fees including separate fees for overnight mail, courier or notary services that are not included as part of First American's filed escrow fee may include a markup over the direct cost to First American for such services.

Our wire instructions do not change. If you receive an email or other communication that appears to be from us and contains revised wiring instructions, you should consider it suspect and you must call our office at an independently verified phone number. Do not inquire with the sender.

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Escrow Officer: Juan Tavares