

**AMENDMENT NO. 1
HAPPY ROOF PROGRAM HOUSING ASSISTANCE GRANT
AFFORDABILITY AGREEMENT
BETWEEN SANTA FE COUNTY AND QUALIFYING GRANTEES**

This Amendment is made and entered into as of this 27 day of December, 2018 by and between **Santa Fe County**, hereinafter referred to as “the County”, a New Mexico political subdivision and **Deborah Hancock**, (“Borrower”), hereafter referred to as (“Qualifying Grantee”).

WHEREAS, Qualifying Grantee, and owner in fee simple of real property located in the County of Santa Fe has applied for and has been qualified for a Housing Assistance Grant from the Santa Fe County Housing Happy Roofs Program; and

WHEREAS, on May 10, 2018, the County and Qualifying Grantee entered into Agreement No. 2018-0335-GM for this program for a term of ten years; and

WHEREAS, Section 6, “NO ORAL MODIFICATIONS; WRITTEN AMENDMENTS REQUIRED” of Agreement No. 2018-0335-GM allows the parties to amend the Agreement by an instrument in writing executed by the parties hereto; and

WHEREAS, A.D. Affordable Roofing initially contracted to repair the roof but did not complete the project; and

WHEREAS, Qualifying Grantee’s roof has sustained additional damages which were not present when the Agreement was signed; and

WHEREAS, Qualifying Grantee has entered into a contract with American Restoration Water and Fire LLC to complete the roof project and has provided the County with an acceptable scope of work; and

WHEREAS, the contract between the Qualifying Grantee and American Restoration Water and Fire LLC exceeds the maximum grant amount of \$14,999.00 specified in Santa Fe County Ordinance No. 2014-9 due to the additional damages to the roof; and

WHEREAS, by Amendment No. 1 the parties agree to amend Agreement No. 2018-0335-GM to change the contractor from A.D. Affordable Roofing to American Restoration Water and Fire LLC and increase the grant sum from \$12,198.44 to \$14,999.00 to complete the roof project.

NOW, THEREFORE, the parties agree as follows:

1. Article 1. “SCOPE OF AGREEMENT” in paragraph A, “\$12,198.44” is deleted and replace with “\$14,999.00.”

2. Article 1. "SCOPE OF AGREEMENT" in paragraph K, "April 13, 2018" is deleted and replaced with "September 24, 2018," and "A.D. Affordable Roofing" is deleted and replaced with "American Restoration Water and Fire LLC."
3. Article 2. "HOUSING ASSISTANCE GRANT", the references to "\$12,198.44" are deleted and replaced with "\$14,999.00."
4. All other provisions of the Agreement No. 2018-0335-GM not specifically amended or modified by this Amendment No. 1 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have duly executed this Amendment No. 1 to Agreement 2018-0335-GM as of the date first written above.

SANTA FE COUNTY



Katherine Miller
Santa Fe County Manager

12.17.18

Date

APPROVED AS TO FORM:




Bruce Frederick, County Attorney

December 12, 2018

Date

FINANCE DEPARTMENT APPROVAL



Stephanie Schardin Clarke
Santa Fe County Finance Director

12/14/18

Date

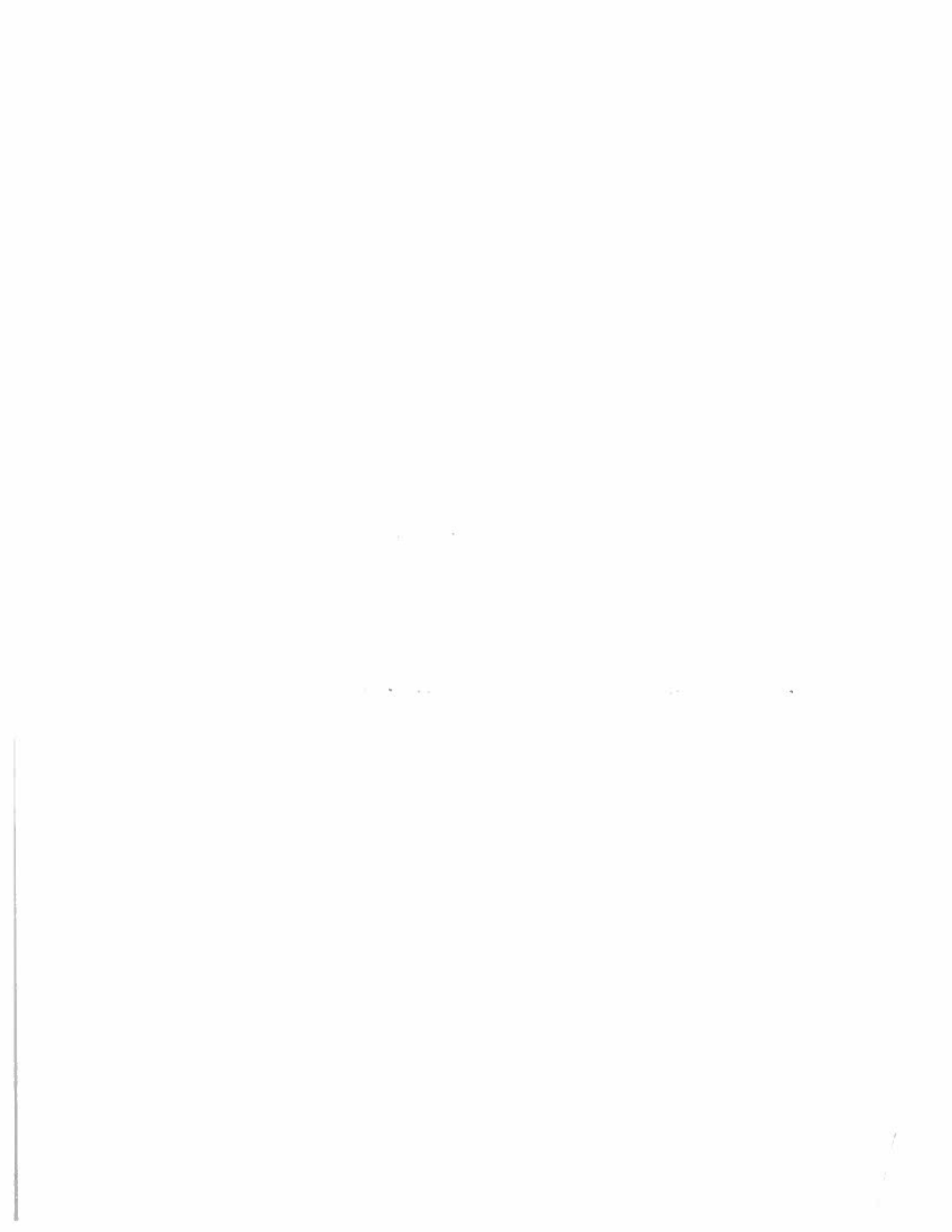
QUALIFYING GRANTEE:



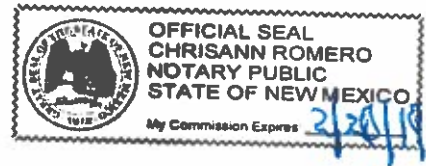
Deborah Hancock

12/27/18

Date



ACKNOWLEDGMENTS



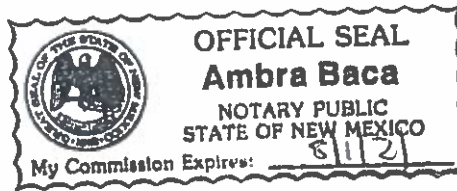
STATE OF NEW MEXICO)
) SS
COUNTY OF SANTA FE)

The Amendment No. 1 was acknowledged before me this 27th day of December, 2018,
by Deborah Hancock, Qualifying Grantee.

Chrisann Romero
Notary Public

My commission expires:

2/20/19



STATE OF NEW MEXICO)
) SS
COUNTY OF SANTA FE)

The Amendment No. 1 was acknowledged before me this 17 day of December, 2018,
by ~~Katherine Miller~~, as Santa Fe County Manager.

Tony Flores,

DRAFT

Ambra Baca
Notary Public

My commission expires:

8/1/21

OFFICIAL
ORIGINAL
NOTARY
STATE OF
INDIANA



1900

1900

1900

ACKNOWLEDGMENTS

STATE OF NEW MEXICO)

) SS

COUNTY OF SANTA FE)

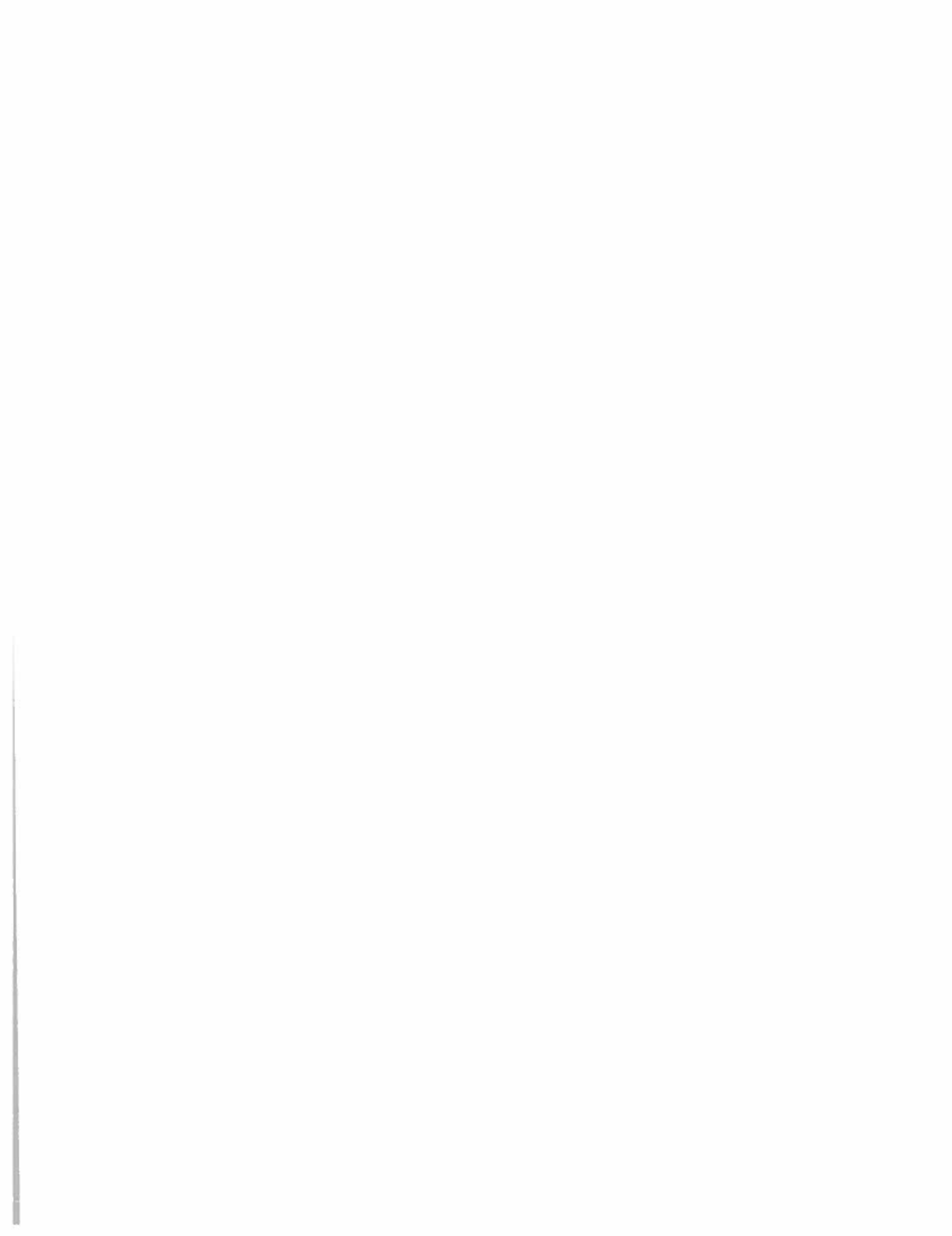
The Amendment No. 1 was acknowledged before me this 14th day of December, 2018,
by Stephanie Schardin Clarke, County Finance Director.



Notary Public

My commission expires:

7/13/2019



**Santa Fe County
Affordable Housing Program
Happy Roofs Program
102 Grant Avenue
Santa Fe, NM 87504
Loan No. HR-2018-Hancock**

MORTGAGE

THIS MORTGAGE ("Security Instrument"), made this 27th day of Dec, 2018, by and between the undersigned, **Deborah L. Hancock**, ("Borrower"), of **5 Chusco Road, Santa Fe, New Mexico 87508**, described more particularly as set forth on Exhibit A hereto, ("Property") and the **Board of County Commissioners of Santa Fe County** ("Lender"), in the principal sum of **Fourteen Thousand Nine Hundred and Ninety Nine Dollars and no/100 (\$14,999.00)** ("Principal").

Borrower owes Lender the Principal sum of **Fourteen Thousand Nine Hundred and Ninety Nine Dollars and no/100s (\$14,999.00)**. Borrower's debt is evidenced by the Promissory Note ("Note") attached as Exhibit B, dated the same date as this Mortgage, which provides repayment of the Note in full unless Borrower retains ownership of the Property and resides on the Property for a period of ten (10) years following execution of the Note, and cancellation of the Note, with the consent of the Lender in its absolute and sole discretion, if the Property is transferred (by sale or otherwise) to a person of low or moderate income as established by operation of Ordinance No. 2011-3 and the regulations authorized thereunder, and the transferee agrees to execute a mortgage and Note containing the same or similar terms.

The Note may also be cancelled if the Property is transferred as a result of the death of the Borrower or is transferred by devise of operation of law to the Borrower's relation by blood or marriage within the third degree, or is transferred as a result of a marital settlement agreement, operation of bankruptcy or other insolvency laws.

Borrower does hereby mortgage, grant, and convey to Lender the Property described on Exhibit A, attached hereto and incorporated herein for all purposes, together with all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances, and fixtures now or hereafter a part of the Property. All replacements and additions shall also be covered by this Security Instrument.

This Security Instrument secures to the Mortgagee: (a) the repayment of the debt evidenced by the Note, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced pursuant to this Security Instrument, including without limitation sums advanced by Mortgagee in the exercise of remedies provided herein; (c) the performance of Borrower's covenants and agreements

herein and in this Note, all subject to the statutory mortgage condition for the breach of which it is subject to foreclosure as provided by law, and with mortgage covenants.

Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; and Default Interest.** Borrower shall promptly pay, when due, the principal balance of the Note and default interest due under the Note, if any.

2. **Application of Payments.** Unless otherwise required by law, all payments received by Lender shall be applied first, to accrued interest due, and then to costs incurred by Lender to enforce the Note and this Security Instrument, and then to Principal due.

3. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which may attain priority over this Security Instrument. Borrower shall pay these charges on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument except the Purchase Mortgage or any Refinance Mortgage, as defined in paragraph 14 below.

4. **Hazard or Property Insurance.** Borrower shall keep all improvements on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval, which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option and Borrower's expense, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 6.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause, adding Lender as the additional insured, and shall provide notice to Lender of cancellation or termination of such policy at least thirty (30) days prior to the effective date of termination or cancellation. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may provide proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not reduced. If the restoration or repair is not economically feasible or Lender's security would be reduced, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not

answer within ten (10) days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due.

Notwithstanding the foregoing, all rights of Lender hereunder are and shall remain subordinate and subject to the rights of the holder of the Purchase Mortgage or any Refinance Mortgage.

5. Occupancy, Preservation, Maintenance, and Protection of the Property. Borrower shall continue to occupy, establish and use the Property as Borrower's principal residence. Borrower shall not destroy, damage, or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that, in Lender's good-faith judgment, could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the application process, gave materially false or inaccurate information or statements to Lender, or failed to provide Lender with any material information in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence.

6. Protection of Lender's Rights in the Property. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender is under no obligation to do so.

Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest from the date of disbursement at the rate set forth of twelve percent (12%) per annum, until repaid, and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

7. Inspection. Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to any inspection specifying reasonable cause for the inspection.

8. Successor and Assigns Bound; Joint and Several Liability. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower.

9. **Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected, or to be collected, in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

10. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any hazardous substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any environmental law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of hazardous substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

11. **Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 12.

12. **Default; Remedies.** If (1) Borrower shall fail to pay the sums due under the Note as and when due; or (2) Borrower shall default on the terms of the Purchase Mortgage or any Refinance Mortgage and Borrower shall fail to cure such default within the deadline set forth in such Purchase Mortgage or Refinance Mortgage, as such may be extended by the holder thereof; or (3) A subordinate lien or encumbrance is placed on the Property without Lender's prior written consent; or (4) Borrower shall breach any covenant or agreement in this Security Instrument, Lender at its option, may require immediate payment in full of all sums secured by this Security Instrument and may, after notice to Borrower and the passage of fifteen (15) days, foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 12, including, but not limited to, reasonable attorneys' fees and costs.

13. **Lender in Possession.** Upon acceleration under paragraph 12 or abandonment of the Property, Lender (in person, by agent, or by judicially appointed receiver) shall be entitled to enter upon, take possession of, and manage the Property, and to collect the rents of the Property, including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, and reasonable attorneys' fees, and then to the sums secured by this Security Instrument. Notwithstanding the foregoing, Lender's rights hereunder shall be

subordinate and subject to the rights of the holder of the Purchase Mortgage or any Refinance Mortgage.

14. Subordination to Purchase Mortgage and Refinance Mortgage. Lender and Borrower acknowledge and agree that this Security Instrument is subordinate in all respect to the liens, terms, covenants and conditions of the first mortgage ("Purchase Mortgage") including all sums advanced for the purpose of (a) protecting or further securing the lien of the Purchase Mortgage, or (b) constructing, renovating, repairing, furnishing, fixturing or equipping the Property. Additionally, in the event Borrower shall elect, from time to time, to re-finance the Purchase Mortgage, Lender agrees to execute any documentation reasonably required by Borrower's lender to subordinate this Security Instrument to mortgage granted by Borrower to secure such debt refinance ("Refinance Mortgage"). In connection with obtaining the Refinance Mortgage, Borrower shall be entitled to increase the amount of debt which was initially secured by the Purchase Mortgage by an amount equal to Borrower's equity in the Property as determined by an appraisal obtained in connection with the refinance. Lender shall have no obligation to subordinate this Security Instrument to a Refinance Mortgage to the extent that the amount of the loan secured by the Refinance Mortgage exceeds the Purchase Mortgage plus Borrower's equity.

The terms and provisions of the Purchase Mortgage or a Refinance Mortgage, as the case may be, are paramount and controlling and they supersede any other term and provisions hereof in conflict therewith. In the event of a foreclosure or deed in lieu of foreclosure of the Purchase Mortgage or a Refinance Mortgage, any provisions herein or any provisions in any other collateral agreement or document restricting the use of the Property to low or moderate income households or otherwise restricting the Borrower's ability to sell the Property shall have no effect on subsequent owners or purchasers of the Property. Any person, including his successor (other than the Borrower or a related entity of the Borrower), receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the Purchase Mortgage or a Refinance Mortgage shall receive title to the Property free and clear from such restrictions. Further, if the holder of the Purchase Mortgage or a Refinance Mortgage acquires title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Security Instrument shall automatically terminate upon the holder of the Purchase Mortgage or Refinance Mortgage holder's acquisition of title provided that (1) the Lender has been given written notice of a default under the Purchase Mortgage or Refinance Mortgage and (2) Lender shall not have cured the default under the Purchase Mortgage or Refinance Mortgage within the time period permitted for a cure by the Borrower. Nothing herein shall release the Borrower from personal liability for amounts due under the Note or hereunder in the event title is transferred pursuant to a deed in lieu of foreclosure.

In the event of a default of this Security Instrument, Lender shall provide to the holder of a Purchase Mortgage or Refinance Mortgage, a copy of the written default notice and any notice of acceleration sent by Lender to Borrower.

15. Release. Upon payment of all sums secured by this Security Instrument or forgiveness of the Note and Security Instrument at the end of the ten (10) year period commencing upon Borrower's execution of this Note and Security Instrument, or forgiveness under other conditions set forth in this Security Instrument, Lender shall release this Security Instrument, without charge, to Borrower. Borrower shall pay any recording costs. Following release of this Security Instrument, any provisions herein or any provisions in any other collateral agreement or document restricting the use of the Property to low or moderate income households or otherwise restricting the Borrower's ability to sell the Property shall have no effect on Borrower or any subsequent owners or purchasers of the Property.

16. Redemption Period. If this Security Instrument is foreclosed, the redemption period after the date that the judicial sale is confirmed shall be one (1) month.

17. Notices. Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by certified mail, return receipt requested, or by hand-delivery, unless applicable law requires use of another method. The notice shall be directed to **Deborah L. Hancock, 5 Chusco Road, Santa Fe, New Mexico 87508** or any other address Borrower designates by written notice to Lender. Any notice to Lender shall be given by first class mail to Lender's at: **Attn: Affordable Housing, 102 Grant Avenue, Santa Fe, New Mexico 87504**, or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given, as provided in this paragraph.

18. Governing Law; Severability. This Security Instrument shall be governed by federal law and the law of the State of New Mexico. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end, the provisions of this Security Instrument and the Note are declared to be severable.

19. Environmental Compliance. Borrower is, and shall remain, until this Security Instrument is canceled, released, reconveyed, or discharged, the "owner and operator" of the Property within the meaning of, and for the purpose of, 42 U.S.C. Section 96-1(20)(A). At its sole cost and expense, Borrower shall comply with any and all federal, state, and local laws, rules, regulations, or orders with respect to environmental regulation, protection, or remediation (collectively, "Environmental Laws"), shall pay immediately when due the cost of removal of any hazardous and toxic substances, wastes, or materials, pollutants or contaminants, defined or regulated under any Environmental Laws (collectively, "Hazardous Substances") occurring after the date of this Security Instrument, and shall keep the Property free of any lien imposed pursuant to any Environmental Laws;

Borrower hereby represents and warrants to Lender that there will be no future, Hazardous Substances stored or otherwise located on the Property.

EXHIBIT A
Legal Description of Property

Lot 3, Block 38, of Eldorado at Santa Fe Subdivision, Unit 3, as shown on plat filed in the office of the County Clerk, Santa Fe County, New Mexico on June 29, 1977 in Eldorado Plat Book 5, Page 12 as Document No. 404722 .

means the right to require the Lender to give notice to other persons that amounts due have not been paid.

This Note shall be binding upon the Borrower and its' successors and assigns. Borrower shall be jointly and severally liable under this Note.

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail, return receipt requested, addressed to Borrower at **5 Chusco Road, Santa Fe, New Mexico 87508** or to such other address as Borrower may designate by written notice to the Lender. Any notice to the Lender shall be sent by registered or certified mail and shall be deemed to have been given and received seventy-two (72) hours after the same is so addressed and mailed postage prepaid, to the Lender: **Attn: Affordable Housing, 102 Grant Avenue, Santa Fe, New Mexico 87504** or at such other address as may have been designated by subsequent written notice of Borrower.

The indebtedness evidenced by this Note is obligation of the Borrower. The indebtedness evidenced by this Note is secured by a Mortgage, dated of even date with this Note, and reference is made to the Mortgage for rights of Lender with regard to enforcement of the promises evidenced by this Note.

Borrower:



Deborah Hancock



Date

**EXHIBIT B
PROMISSORY NOTE**

\$14,999.00

Date 12/27/18

For Value Received, the undersigned, **Deborah L. Hancock** ("Borrower") of **5 Chusco Road, Santa Fe, New Mexico 87508**, described more particularly as set forth on Exhibit A hereto, ("Property") promise to pay to the order of the **Board of County Commissioners of Santa Fe County** ("Lender"), the principal sum of **Fourteen Thousand Nine Hundred Ninety Nine Dollars and no/100s (\$14,999.00)** ("Principal"), with five percent (5%) simple interest accruing on the unpaid Principal balance during the ten (10) year Affordability Period, pursuant to that certain Mortgage of even date between the parties.

If Borrower retains ownership of the Property and resides on the Property for a period of ten (10) years following execution of this Note, this Note shall be cancelled upon request of the Borrower. This Note may also be cancelled on request of the Borrower, with the consent of the Lender in its absolute and sole discretion, if the Property is transferred (by sale or otherwise) to a person of low or moderate income as established by operation of Ordinance No. 2011-3 and the regulations authorized there under, and the transferee agrees to execute a mortgage and Note containing the same or similar terms.

The Note may also be cancelled if the Property is transferred as a result of the death of the Borrower or is transferred by devise of operation of law to the Borrower's relation by blood or marriage within the third degree, or is transferred as a result of a marital settlement agreement, operation of bankruptcy or other insolvency laws.

In addition to the protections of the Lender described in this Note, this Note is secured by a Mortgage of even date. The Mortgage describes how and under what conditions Borrower may be required to make immediate payments in full of all amounts Borrower owes under the terms of this Note. Any failure by the Borrower to observe or perform, as the case may be, any of the covenants or agreements contained in the Mortgage shall be deemed a default in the terms of this Note.

Failure to perform any obligation or covenant in this Note or within the Mortgage, or if Borrower has made any false statement or representation in the Note or Mortgage, if a receiver or a general assignment for the creditors is made by the Borrower, or if bankruptcy or insolvency proceedings are instituted by the Borrower, or the Borrower permits the impairment of the Property by loss, theft, damage, levy and execution, or destruction, unless it is promptly replaced with property of like kind and of equal or greater value or restored to its former condition, shall be events of default under this Note.

Presentment, notice of dishonor, and protest are hereby waived by Borrower. "Presentment" means the right to require the Lender to demand payment of amounts due. "Notice of dishonor"