



CITY OF CALLAWAY MORTGAGE FORECLOSURE REGISTRATION INSTRUCTIONS

Many neighborhoods are being affected by homes left abandoned, vacant, in disrepair, or vandalized as a result of foreclosure. The City of Callaway has established a Mortgage Foreclosure Registry to address the lack of maintenance on these properties. By sharing the burden with lenders foreclosing homes or any other real property, the program creates the necessary monitoring system to anticipate and quickly address any maintenance problem that may arise on the property as a result of it having been left abandoned throughout the entire length of the foreclosure process. The value of the property in our neighborhoods will be preserved.

On February 24, 2015, the City Commission adopted Ordinance No. 954, requiring that all lenders holding mortgages in default on real property within the City of Callaway to register (within 10 days), regardless whether it is residential or commercial after having given the debtor notice of the default, filed a lis pendens, or having taken any other legal action to enforce its right to accelerate the debt. Registration requires that the lender identify the property with a loan in default or in foreclosure, identify a local agent responsible for discharging the lender's obligations established in ordinance, pay the annual registration fee and renew on a yearly basis (if necessary).

In addition to registration, the lender, through its designated agent, must inspect, maintain and secure the property for as long as the mortgage remains in default, whether the mortgage in default has been foreclosed or not and until such time as the default is cured, the property is sold at a foreclosure sale or short sale. There are specific standards for maintaining and securing each property adopted by the ordinance. The lender must notify the City of any changes in local agent or transfer, assignment, or ownership of the debt or property. Failure to register, inspect, maintain, secure the property, or provide notification to the City is a code violation subject to enforcement by any means available to the City, including the recording of a lot clearing lien.

When a property becomes vacant or abandoned, unless prohibited by recorded covenants and restrictions, it shall be posted with the name and twenty four (24) hour contact telephone number of the local property manager. (See attached Sec. 9.7-29 for more information)

How to register.

1. Request a Mortgage Foreclosure Registration Packet to email address wfrye@cityofcallaway.com or bpoole@cityofcallaway.com or go online to the City of Callaway website www.cityofcallaway.com click on Departments - Planning/Code Enforcement - Applications and Permits - Mortgage Foreclosure Registration.
2. Once you have completed the application, submit application and registration fee amount of \$50 for each property to:

The City of Callaway
Mortgage Foreclosure Registration
C/O Planning & Code Enforcement Department
6601 E. Hwy 22
Callaway, FL 32404

3. A renewal application and fee for \$50 is required on each property on a yearly basis.
4. Please allow 5 to 7 business days to process your payment and application. Once your information has been added to the registry, you will receive confirmation through the means you have indicated.
5. Your local agent is required to make an initial inspection within five (5) days of the registration. Property that is occupied while in default shall be inspected quarterly while vacant property will be inspected at least every sixty (60) days.
6. You are required to notify the City of any changes in the information you submit in your application, including changing your local agent, a change in lender or the transfer or sale of the property.

How can I contact the City?

City of Callaway, Florida
Planning & Code Enforcement Department
6601 E. Hwy 22
Callaway, FL 32404
850-871-4672

Bill Frye – Zoning and Code Enforcement Officer - wfrye@cityofcallaway.com
Bonnie Poole – Code Enforcement Officer – bpoole@cityofcallaway.com



**CITY OF CALLAWAY
MORTGAGE FORECLOSURE REGISTRATION
FREQUENTLY ASKED QUESTIONS**

Q. What type of property is required to be registered?

A. All real property within the City of Callaway, regardless whether it is residential or commercial, including vacant lots, with mortgage debt in default.

Q. Who is required to register and when?

A. A lender who holds a mortgage on any real property that is in default, has issued a notice of default to the borrower, has recorded a lis pendens or taken any other legal action to enforce its right to accelerate the debt or foreclose its interest in the property. The property must be registered within ten (10) days of the date any mortgagee declares its mortgage to be in default.

Q. Is there a registration fee?

A. Yes. There is a yearly fee of \$50 for each property registered.

Q. Do I need to renew applications?

A. Yes, renewals are required on a fiscal year basis. Submit an application for renewal and a fee for \$50 for each property.

Q. Where can I get a registration form?

A. You can access the forms online from the City of Callaway website www.cityofcallaway.com click on Departments - Planning and Code Enforcement – Applications and Permits - Mortgage Foreclosure Registration. You may also make a request by email to Mortgage Foreclosure Registration at wfrye@cityofcallaway.com or bpoole@cityofcallaway.com.

Q. What form of payment is accepted?

A. The fee is payable by personal or business check or money order made out to the City of Callaway. You can mail the check together with a copy of the completed application to:

The City of Callaway
Mortgage Foreclosure Registration
C/O Planning & Code Enforcement Department
6601 E. Hwy 22
Callaway, FL 32404

Q. Will I receive a receipt or confirmation that my registration is complete?

A. Yes. After your application and fee are received, you will receive confirmation by the means you have indicated.

Q. What if there is a change in local agent, the mortgage is assigned or there is a change in property ownership?

A. You are required to notify the City of any changes in the information you submit in your application, including changing your local agent, a change in lender or the transfer or sale of the property.

Q. What is my local agent supposed to do after the property is registered?

A. Your local agent is required to make an initial inspection within five (5) days from registration to ascertain the property's condition and the property shall be posted with the name and phone number and email of the local property manager. Your local agent is required to conduct follow-up inspections thereafter to make sure the property is properly maintained.

Q. Will the City inspect the property too?

A. Yes. The City will conduct an inspection to ensure the property meets the City's standards, e.g. windows and doors are secured, the pool is clean or emptied and secured, the grass is cut. After the initial inspection, you will be notified of the results through your designated local agent.

Q. What is the scope of the inspection?

The inspection will identify whether any of the following conditions exist on the property:

- a) Any visible damage to the fences or buildings on the property;
- b) Whether windows and doors are shut to prevent any trespassing or whether they require to be secured or boarded;
- c) Whether the pool is clean or empty and secure;
- d) Whether there is any trash, garbage, litter, abandoned property or any other waste that needs to be removed;
- e) Whether the lawn needs trimming;
- f) Any other condition that may be considered a nuisance.

Q. What happens after registration and inspection?

A. Once the application has been processed, the Planning and Code Enforcement Department will conduct an inspection to ensure the property meets the City's standard's, e.g. windows and doors are secure, the pool is clean or emptied and secure, and the grass is cut. After the initial inspection, you will be notified of the results through your designated local agent. If there are any violations, you will be afforded a reasonable time period to correct them. It is your obligation to conduct inspections, as required by ordinance, to make certain the property is properly maintained.



**CITY OF CALLAWAY
MORTGAGE FORECLOSURE REGISTRATION
APPLICATION**

Please allow 5 to 7 business days to process your payment and application. Once your information has been added to the registry, you will receive confirmation through the means you have indicated.

**FILL OUT APPLICATION AND REMIT WITH CHECK OR MONEY ORDER FOR THE
AMOUNT OF \$50 (for each property) PAYABLE TO CITY OF CALLAWAY TO:**

**CITY OF CALLAWAY
MORTGAGE FORECLOSURE REGISTRATION
C/O PLANNING AND CODE ENFORCEMENT DEPARTMENT
6601 E. HWY 22
CALLAWAY, FL 32404**

<input type="checkbox"/> NEW APPLICATION	<input type="checkbox"/> RENEWAL	<input type="checkbox"/> CHANGE OF INFORMATION
Mortgage Holder/Servicing Agent:		
Street Address, City, State, Zip:		
Email Address :		
Phone Number:		
Foreclosed Property: Street Address, City, State, Zip:		ATTACH LIST IF MORE THAN ONE
Property Management Information:		
Street Address, City, State, Zip:		
Contact Name:		
Phone Number:		
Email Address:		
Method of Receipt: EMAIL:		PHONE:

**THIS PROPERTY IS MANAGED BY _____
AND IS INSPECTED ON A REGULAR BASIS.**

**THE PROPERTY MANAGER CAN BE CONTACTED
BY TELEPHONE AT _____**

OR BY EMAIL AT _____

ORDINANCE NO. 954

AN ORDINANCE OF THE CITY OF CALLAWAY, FLORIDA, RELATING TO MORTGAGED REAL PROPERTY; AMENDING CHAPTER 9.7 ENTITLED "NUISANCES" OF THE CALLAWAY CODE OF ORDINANCES, AND IN PARTICULAR, CREATING ARTICLE II ENTITLED "MORTGAGE FORECLOSURE REGISTRATION"; PROVIDING FOR THE PURPOSE AND INTENT; PROVIDING FOR DEFINITIONS; PROVIDING FOR APPLICABILITY OF THIS ORDINANCE; REQUIRING INSPECTION AND REGISTRATION OF REAL PROPERTY MORTGAGES IN DEFAULT; PROVIDING FOR ANNUAL REGISTRATION FEES; PROVIDING FOR ENFORCEMENT; REQUIRING MAINTENANCE OF CERTAIN REAL PROPERTY BY MORTGAGEES; ESTABLISHING SECURITY REQUIREMENTS; PROVIDING FOR ADDITIONAL AUTHORITY; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION IN THE CODE OF ORDINANCES; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the recent mortgage foreclosure crisis resulted in a rising number of vacant and abandoned properties with serious negative implications for all communities trying to manage the resulting property vacancies, such as decreases in property values, lack of maintenance, and other problems that stem from financial crisis; and

WHEREAS, foreclosed homes quickly succumb to the forces of nature and the elements, grass and weeds grow, swimming pools become stagnant public health hazards, landscaping dies from lack of attention or grow out of control, windows are broken, exteriors suffer damage from normal wear-and-tear and vandalism, communities suffer, and these consequences have a negative impact first on neighboring residences and then on entire neighborhoods; and

WHEREAS, the conditions identified above negatively impact the City of Callaway and blight neighborhoods; and

WHEREAS, the City of Callaway is challenged to identify and locate owners or foreclosing parties who can correct negative impacts and maintain the properties that are in the foreclosure process or that have been foreclosed; and

WHEREAS, the City of Callaway finds that neighborhoods should be protected from becoming blighted through the lack of adequate maintenance and security of vacant properties or properties that are subject to mortgages that are in default; and

WHEREAS, the City of Callaway has adopted property maintenance codes to regulate standards for the interior and exterior of structures and the condition of property as a whole; and

WHEREAS, a foreclosed property registration process is necessary for the City of Callaway to provide a monitoring mechanism and additional enforcement for defaulted properties; and

WHEREAS, the City of Callaway finds that the registration process would include properties that have already been foreclosed upon, are currently in the foreclosure process, or may be in the foreclosure process in the future; and

WHEREAS, the City Commission of the City of Callaway has determined that the following additions to the City's code will serve and contribute to promoting and protecting the general health, safety and welfare of the residents of the City of Callaway.

NOW THEREFORE, BE IT HEREBY ENACTED BY THE PEOPLE OF THE CITY OF CALLAWAY, FLORIDA THAT:

SECTION ONE. Recitals Incorporated. The above recitals are true and correct and by this reference are incorporated herein and made an integral part hereof.

SECTION TWO. Mortgage Foreclosure Registration enacted. Chapter 9.7 entitled "Nuisances" of the City of Callaway Code of Ordinances is amended to title Article I "Nuisance Abatement", reserve certain sections, and to create a new Article II entitled "Mortgage Foreclosure Registration" to read as follows:

CHAPTER 9.7 – NUISANCES

ARTICLE I – NUISANCE ABATEMENT

* * *

Secs. 9.7-15—9.7-20. Reserved

ARTICLE II - MORTGAGE FORECLOSURE REGISTRATION

Sec. 9.7-21. Purpose and intent.

It is the purpose and intent of this Article to establish a process to limit and reduce the deterioration of property located within the City of Callaway, which property is in mortgage foreclosure, where ownership has been transferred to a lender or mortgagee by any legal method or where property is deemed to be vacant or abandoned. It is further intended to establish a registration program as a mechanism to protect neighborhoods from becoming blighted through the lack of adequate maintenance or through abandoned and/or vacated properties which are subject to mortgages that are in default.

Sec. 9.7-22. Definitions.

The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them, except where the context clearly indicates a different meaning. Where the context will permit and no definitions are provided herein, the definitions provided in the Florida Building Code shall apply.

Abandoned real property means any real property that is vacant, or is under notice of default, or is pending a mortgage foreclosure, or notice of mortgagee's sale, or lien sale and/or properties that have been the subject of a mortgage foreclosure sale where title is retained by the mortgagee, and/or any properties transferred under a deed-in-lieu of foreclosure sale, a short sale or any other legal means.

Default means that the mortgagee has filed a foreclosure action or notice of default on the mortgage. A mortgage shall be considered in default at such time as the mortgagee declares said mortgage to be in default either by letter or notice to property owner, by recording a lispendens, by commencing foreclosure

proceedings, or by any other actions demonstrating a breach of a security covenant on a property.

Enforcement officer means any fulltime law enforcement officer, building official, fire inspector or code enforcement officer employed by the City of Callaway.

Evidence of vacancy means any condition that on its own, or combined with other conditions present, would lead a reasonable person to believe that the property is vacant. Such conditions may include, but are not limited to: overgrown and/or dead vegetation; electricity, water or other utilities turned off; stagnant swimming pool; or statements by neighbors, passers-by, delivery agents or government agents.

Foreclosure means the judicial process by which a property, placed as security for a mortgage loan, after a judicial process, is sold at an auction to satisfy a debt upon which the borrower has defaulted.

Vacant means any building or structure that is not lawfully occupied or inhabited as evidenced by the conditions set forth in the definition of "*Evidence of Vacancy*" above.

Sec. 9.7-23. Applicability.

This Article applies to occupied or abandoned and/or vacant property which is in default located within the City of Callaway, or which property is in or has been in mortgage foreclosure, or where ownership has been transferred to a lender or mortgagee by any legal method.

Sec. 9.7-24. Inspection and registration of real property by mortgagee holding mortgages in default.

(a) Within ten (10) days of the date any mortgagee declares its mortgage to be in default, the mortgagee shall register the real property with the City of Callaway Code Enforcement or its designee, or the City's authorized representative. At the time of registration, a local property manager shall be designated to inspect, maintain and secure the real property subject to the mortgage in default. A registration is required for each property.

(b) Any mortgagee who holds a mortgage on real property located within the City of Callaway shall perform an inspection of the property within five (5) days of the registration pursuant to subsection (a) above.

(c) Property inspected pursuant to subsection (b) above that is occupied while it remains in default, shall be inspected quarterly by the mortgagee or mortgagee's designee.

(d) Property which is found to be vacant, or which shows evidence of vacancy shall be inspected at least every sixty (60) days by the mortgagee or mortgagee's designee.

(e) Registration pursuant to this section shall contain at a minimum the name of the mortgagee, the mailing address of the mortgagee, e-mail address and telephone number of the mortgagee, and the name of the local property manager and said person's address, e-mail address, and telephone number. The local property manager shall be responsible to inspect, secure and maintain the property. The property manager named in the registration shall be located within twenty (20) miles of the City of Callaway and available to be contacted by the City, Monday through Friday between 9:00 a.m. and 5:00 p.m., holidays and lunch hours excluded.

(f) This section shall also apply to properties that have been the subject of a foreclosure sale where title is transferred to the mortgagee as well as any properties transferred to the mortgagee under a deed in lieu of foreclosure.

(g) Properties subject to this section shall remain under the registration requirement, and the inspection, security and maintenance standards of this Article as long as they remain vacant or subject to having been declared by a mortgagee to be in default.

(h) Any person or other legal entity that has registered a property under this Article must report any change of information contained in the registration within ten (10) days of the change.

Sec. 9.7-25. Annual Registration Fee.

An annual registration fee in an amount of \$50.00, per property, shall accompany the registration. Said fee may be amended from time to time by resolution of the City Commission. Fees shall be deposited into a Special Revenue Account,

which account shall be for the purpose of enforcement of the City of Callaway's property maintenance codes, the Florida Building Code and other related property codes.

Sec. 9.7-26. Enforcement.

(a) Failure of the mortgagee and/or property owner of record to properly register or to modify the registration from time to time to reflect a change of circumstance as required by this Article is a violation and shall be subject to enforcement by any of the enforcement means available to the City of Callaway.

(b) Pursuant to a finding and determination, including any administrative proceeding, that any property is in violation of this Article, the City of Callaway may take the necessary action to ensure compliance with the City's codes and place a lien on the property for the cost of the work performed, including an administrative fee, to benefit the property and to bring it into compliance.

(c) Failure of the mortgagee and/or property owner of record to properly inspect and secure a property subject to this Article or post a property, if required, is a violation shall be subject to enforcement by any of the enforcement means available to the City of Callaway. Pursuant to a finding and determination, the City of Callaway may take the necessary action to ensure compliance with the City's codes and recover costs and expenses in support thereof.

Sec. 9.7-27. Maintenance requirements.

Properties subject to this Article shall be maintained in accordance with all relevant City regulations.

Sec. 9.7-28. Security requirements.

(a) Properties subject to this Article shall be maintained in a secure manner so as not to be accessible to unauthorized persons.

(b) A "secure manner" shall include, but not limited to, the closure and locking of all windows, doors, gates and other openings of such size that will not allow a child or adult to access the interior of the structure and pool area, if any. Broken windows or doors shall be secured by replacing or boarding.

Sec. 9.7-29. Posting of Property.

(a) When a property subject to this Article becomes vacant or abandoned, unless prohibited by recorded covenants and restrictions, it shall be posted with the name and twenty four (24) hour contact telephone number of the local property manager. The posting shall be no less than 18 inches x 24 inches and shall be of a font that is legible from a distance of 45 feet. The posting shall contain the following language, at a minimum, with supporting information:

THIS PROPERTY IS MANAGED BY _____
_____ AND IS INSPECTED ON A REGUALR BASIS.
THE PROPERTY MANAGER CAN BE CONTACTED
BY TELEPHONE AT _____ OR
BY EMAIL AT _____.

(b) The posting required in subsection (a) above shall be placed on the interior of a window facing the street to this front of the property so that it is visible from the street, or secured to the exterior of the building/ structure facing the street to the front of the property so that it is visible from the street or if no such area exists, on a stake of sufficient size to support the posting in a location that is at all times visible from the street to the front of the property but not readily accessible to vandals. Exterior posting shall be constructed of and printed with weather-resistant materials.

Sec. 9.7-30. Additional authority.

(a) If a City code enforcement officer has reason to believe that a property subject to the provisions of this Article is posing a serious threat to the public health, safety and welfare, the code enforcement officer may bring the violations before the City's code enforcement board or code enforcement special magistrate, or a court of competent jurisdiction as soon as possible to address the conditions of the property.

(b) If there is a finding that the condition of the property is posing a serious threat to the public's health, safety and welfare, then the code enforcement board or code enforcement special magistrate or a court of competent jurisdiction may direct the City to abate the violations and charge the mortgagee with the cost of abatement.

(c) If the mortgagee does not reimburse the City for the cost of abatement within thirty (30) days of the City sending the mortgagee the invoice, then the City may lien the property with the cost of the abatement, along with any and all administrative fees allowed by law to recover the administrative personnel services.

Sec. 9.7-31. Provisions supplemental.

Nothing contained in this Article shall prohibit the City of Callaway from enforcing its codes by any other means, including, but not limited to, injunction, abatement or as otherwise provided by law or ordinance.

Sec. 9.7-31—9.7-40. Reserved.

SECTION 3. Severability. It is hereby declared to be the intention of the City of Callaway that the sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by the valid judgment or decree of a court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance.

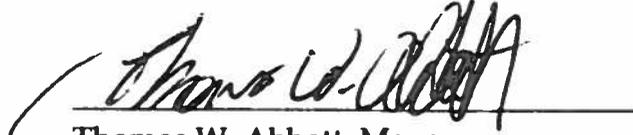
SECTION 4. Captions. The captions, part headings, and part designation in this ordinance are intended for the convenience of users only and shall have no effect in the interpretation of the provisions of this ordinance.

SECTION 5. Inclusion in the Code of Ordinances. The provisions of this ordinance shall become and be made a part of the Code of Ordinances of the City of Callaway, Florida. The sections of this ordinance may be re-numbered or re-lettered to accomplish such, and the word "ordinance" may be change to "section" "article" or other appropriate word.

SECTION 6. Effective Date. The provisions of this ordinance shall become effective immediately upon passage.

PASSED, APPROVED AND ADOPTED this 24th day of February 2015.

CITY OF CALLAWAY, FLORIDA


Thomas W. Abbott, Mayor

ATTEST:


Sandra B. Hirth, City Clerk