

RESOLUTION NO. 91103-0110

A RESOLUTION AUTHORIZING THE MAYOR TO SIGN A SUBORDINATION AGREEMENT FOR 507 E. 6TH STREET

WHEREAS, the City of Muscatine, Iowa entered into a grant agreement with the Iowa Department of Economic Development (IDED) in 2003 for owner-occupied housing rehabilitation in the Mid Town Heart, Tree of Hope, "Spring" and Cedar Central neighborhoods; and

WHEREAS, said grant agreement funded up to \$24,999 for housing rehabilitation for each eligible residence through a five-year forgivable loan; and

WHEREAS, a five-year mortgage and lien was attached to each property that received funding assistance through this grant agreement; and,

WHEREAS, under the grant agreement approved between the City of Muscatine and the Iowa Department of Economic Development, the city could consider such five-year mortgages to be secondary and subservient to any other mortgages attached to any rehabilitated properties; and,

WHEREAS, a rehabilitation project was completed at 507 E. 6th Street that resulted in a five-year mortgage being attached to said property; and,

WHEREAS, the owner of the property at 507 E. 6th Street now wishes to refinance a prior existing mortgage on his property,


NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE that the Mayor of The City of Muscatine be authorized to sign an agreement, subordinating the city's five-year Housing Fund mortgage for 507 E. 6th Street to a mortgage from Central State Bank, a corporation organized and existing under the laws of the State of Iowa with its principal place of business at 301 Iowa Avenue, Muscatine, Iowa;

PASSED, APPROVED, AND ADOPTED this 7th day of January 2010.

BY THE CITY COUNCIL OF THE
CITY OF MUSCATINE, IOWA


Richard W. O'Brien, Mayor




Gregg Mandsager, City Clerk

SUBORDINATION AGREEMENT

This Subordination Agreement made as of the 7th day of January, 2010 by the **City of Muscatine**, having an address of 215 Sycamore St.- Muscatine, IA 52761 ("Subordinator"), and Central State Bank, a corporation organized and existing under the laws of the State of Iowa with its principal place of business at 301 Iowa Ave., Muscatine, IA 52761 ("Lender").

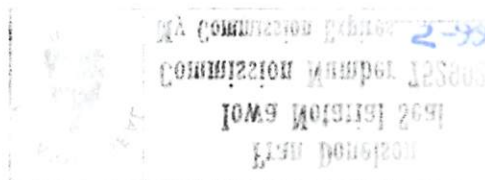
RECITALS:

- A. **Juan Barajas**, of **507 E. 6th St., Muscatine**, Muscatine County, Iowa ("Borrower"), has applied to Lender for a loan to be made to Borrower and to be evidenced by a promissory note secured by a mortgage covering certain real property.
- B. The real property offered by Borrower as security to Lender is currently subject to the prior lien of the mortgage described below.
- C. Lender will make such loan to Borrower only on the condition precedent that such mortgage be subordinated to the lien of the mortgage described below to be given by Borrower to Lender.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this agreement, the parties agree as follows:

SUBORDINATION OF EXISTING MORTGAGE

The mortgage to be subordinated covers real property described as:



The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

In the second section, the author details the various methods used to collect and analyze the data. This includes both manual and automated processes. The goal is to ensure that the information is both reliable and up-to-date.

The third part of the document focuses on the results of the analysis. It shows that there has been a significant increase in certain areas, while other areas have remained relatively stable. These findings are crucial for understanding the overall performance and identifying areas for improvement.

Finally, the document concludes with a series of recommendations. These are based on the data and are designed to help the organization achieve its long-term goals. The author stresses the importance of consistent monitoring and reporting to ensure that these recommendations are effectively implemented.

The following table provides a summary of the key data points discussed in the report. It shows the trends over the last six months and highlights the most significant changes.

Category	Q1	Q2	Q3	Q4	Q5	Q6
Revenue	120	135	150	165	180	195
Expenses	80	85	90	95	100	105
Profit	40	50	60	70	80	90

Based on the data, it is clear that the organization is on a positive growth trajectory. However, it is essential to continue to monitor the market and adjust strategies as needed to maintain this momentum.

Date: 10/27/2023
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MEMO

TO: Gregg Mandsager, City Administrator

FROM: Jim Rudisill, Planning and Community Development Coordinator

SUBJECT: Subordination Agreement For Juan Barajas, 507 E. 6th Street

DATE: December 28, 2009

Juan Barajas participated in the City of Muscatine's 2003 Housing Fund Rehabilitation Program. The city provided \$24,999 as a five-year, forgivable loan to complete a variety of rehabilitative services on his property at 507 E. 6th Street. As part of the program, he signed a mortgage agreement with the city that was recorded on July 6, 2005 at the Muscatine County Courthouse.

His project was completed on October 14, 2005, which means his five-year forgivable period will end on October 14, 2010. However, Barajas now wishes to refinance the property with Central State Bank, Muscatine, to obtain a lower interest rate. Under the terms of the initial contract between the City of Muscatine and the Iowa Department of Economic Development, the city may consider all Housing Fund mortgages to be secondary to any other property mortgage. Central State Bank is requesting the city provide a formal subordination agreement that will reflect this. The city has provided similar documents for several prior subordination requests from other program participants. This is the first such request from Juan Barajas.

The bank completed the refinancing agreement and mortgage with Barajas earlier this year without discovering the city's prior mortgage. This action will resolve the lingering defect in the new mortgage. Harvey Allbee reviewed the document earlier and except for a typographical error that has now been corrected, did not have any concerns with the subordination agreement.

Attached is a resolution for the council's consideration and the subordination agreement to be signed by the mayor.