

MEMORANDUM

To: Mayor and City Council Members

Cc: Gregg Mandsager, City Administrator
Dave Gobin, Community Development Director

From: Adam Thompson, Community Development Coordinator

Date: April 6, 2016

Re: **2009 CDBG Housing Rehab Mortgage Release**

BACKGROUND & RECOMMENDATION:

Florence Hildebrandt participated in the 2009 CDBG Housing Rehabilitation Program in 2010-11. She received the maximum \$24,999 in funding assistance through a five-year forgivable loan. Under the terms of the program, Ms. Hildebrandt was required to sign a mortgage, which she did on May 21, 2011.

Ms. Hildebrandt died September 2, 2015. Her son contacted the city after discovering the mortgage on the property. The five-year forgivable loan term ends next month on May 18, 2016. Her son has chosen to sell the property and has a buyer lined up. After city staff met with the son and reviewed all the circumstances relating to this situation, it is recommended to release the mortgage early so that the home may be sold. They have a closing planned for April 15th.

A mortgage release is attached, as well as a resolution authorizing the mayor and city administrator to sign the release. It is recommended to forgive the full and final year at this time and to release the mortgage early.

BACKUP INFORMATION

None

RESOLUTION NO. _____

RESOLUTION RELEASING REAL ESTATE MORTGAGE UNDER THE 2009 COMMUNITY
DEVELOPMENT BLOCK GRANT (CDBG) OWNER-OCCUPIED
RESIDENTIAL REHABILITATION PROGRAM

WHEREAS, a zero-percent-interest forgivable loan was granted under the 2009 Community Development Block Grant Program of the City of Muscatine, Iowa, and a real estate mortgage was executed by Florence Hildebrandt, owner of said property commonly known as 312 Green Street, Muscatine, Iowa, legally described as:

LOT 52 OF ISLAND VIEW ADDITION TO MUSCATINE, IA

granting a lien against the real estate to the City of Muscatine, Iowa; and,

WHEREAS, said loan has been repaid and the real estate mortgage should be released.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA, that the real estate mortgage referred to in the Release of Real Mortgage which is attached to this Resolution is hereby released, and the Mayor and City Clerk are hereby authorized to execute said Release of Real Estate Mortgage in order that the same can be recorded in the office of the Recorder of Muscatine County, Iowa.

PASSED, APPROVED, AND ADOPTED this 7th day of April 2016.

BY THE CITY COUNCIL OF
THE CITY OF MUSCATINE, IOWA

Diana Broderson, Mayor

ATTEST:

Gregg Mandsager, City Clerk

RELEASE OF REAL ESTATE MORTGAGE

(Prepared by & return to Adam Thompson, City Hall, 215 Sycamore St., Muscatine, Iowa 52761 - 563-264-1550)

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, the present owner of the mortgage hereinafter described, does hereby acknowledge that a certain mortgage bearing the date of the 21st day of March 2011 made and executed by Florence Hildebrandt to the City of Muscatine, Iowa, and recorded in the Muscatine County, Iowa, Recorder's Office in File 2011-01635 on the 13th day of April 2011, commonly described as 312 Green Street, Muscatine, Iowa, and legally described as

LOT 52 OF ISLAND VIEW ADDITION TO MUSCATINE, IA

is redeemed, paid off, satisfied and discharged in full. Said mortgage was in the original amount of \$24,999.00.

Words and phrases herein, including acknowledgment hereof, shall be construed as in singular or plural number, and as masculine, feminine or neuter gender, according to the context.

Dated this 7th day of April 2016
CITY OF MUSCATINE, IOWA

Attest:

By _____
Diana Broderson, Mayor

Gregg Mandsager, City Clerk

STATE OF IOWA, Muscatine County, ss:

On this 7th day of April 2016, before me Fran Donelson, a Notary Public in and for the State of Iowa, personally appeared Diana Broderson and Gregg Mandsager, to me personally known, and, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Muscatine, Iowa, that the seal affixed to the foregoing instrument is the corporate seal of the corporation, and that the instrument was signed and sealed on behalf of the corporation, by authority of its City Council, as contained in Resolution No. _____ passed by the City Council, under Roll Call No. _____ of the City Council on the 7th day of April 2016, and that Diana Broderson and Gregg Mandsager acknowledged the execution of the instrument to be their voluntary act and deed and the voluntary act and deed of the corporation, by it voluntarily executed.

Notary Public in and for the State of Iowa