RESOLUTION NO. R-2015-12

A RESOLUTION APPROVING A LIEN SUBORDINATION AGREEMENT
FOR THE ILLINOIS DISASTER RECOVERY HHR PROGRAM
PROMISSORY NOTE AND LIEN FILED AGAINST
THE 1713 WASHINGTON BOULEVARD PROPERTY
TO BE ENTERED INTO BY THE VILLAGE OF MAYWOOD,
BMO HARRIS BANK N.A. AND JOHN BOYD (PROPERTY OWNER)

WHEREAS, the Village participated in the Illinois Disaster Recovery HRR Program ("IDRP") to assist with housing rehabilitation activities in owner-occupied low-income housing units due to flooding incidents within the Village; and

WHEREAS, John Boyd, the owner of the real property located at 1713 Washington Boulevard, Maywood, Illinois (the "Property"), applied for and received a forgivable IDRP loan in the amount of $36,395.04 (the "IDRP Loan Amount"), as reflected in Promissory Note and Notice of Lien dated July 29, 2013, and filed against title to the Property on March 7, 2014 with the Cook County Recorder of Deeds as Document Number 1406655011 (the "Village’s IDRP Promissory Note and Lien"). The Village’s IDRP Promissory Note and Lien secures the IDRP Loan Amount as an enforceable lien filed against title to the Property; and

WHEREAS, at the request of John Boyd and his lender, BMO Harris Bank N.A., the President and Board of Trustees of the Village of Maywood, Illinois (the "Village") desire to approve a lien subordination agreement to subordinate the priority of the Village’s IDRP Promissory Note and Lien on the Property so that BMO Harris Bank N.A can re-finance the existing mortgage and issue a new mortgage to John Boyd and file the new mortgage against title to the Property in a priority position over the subordinated Village’s IDRP Promissory Note and Lien. The proposed amount of the mortgage is $145,000.00. A copy of the Lien Subordination Agreement (the “Agreement”) is attached hereto as Exhibit "A" and made a part hereof; and

WHEREAS, under the Agreement, which will be filed against title to the Property, the new mortgage issued by BMO Harris Bank N.A. will also be filed against title to the Property as a secured lien on the Property that has priority over the Village’s IDRP Promissory Note and Lien. The Village’s IDRP Promissory Note and Lien will be subordinate to the new mortgage lien interest held by BMO Harris Bank N.A. in the Property; and

WHEREAS, the Village of Maywood, a home rule Illinois municipal corporation, has the authority to approve and enter into the attached Lien Subordination Agreement (the "Agreement") pursuant to its home rule powers and contracting authority provided by Article VII, Sections 6 and 10(a) of the Illinois Constitution of 1970, and finds that entering into this Agreement is in the best interests of the Village.
NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MAYWOOD, COOK COUNTY, ILLINOIS, AS FOLLOWS:

SECTION 1: Each Whereas paragraph above is incorporated by reference into this Section 1 and made a part hereof as material and operative provisions of this Resolution.

SECTION 2: The President and Board of Trustees of the Village Maywood approve of the "Lien Subordination Agreement for the Illinois Disaster Recovery HHR Program Promissory Note and Lien Filed Against the 1713 Washington Boulevard Property to Be Entered into by the Village of Maywood, BMO Harris Bank N.A. and John Boyd (Property Owner)"., a copy of which is attached as Exhibit “A” and made a part hereof (the “Agreement”). Further, the President and Board of Trustees authorize and direct the Village President and Village Clerk, or their designees, to execute said Agreement, and to execute and deliver all other instruments and documents that are necessary to fulfill the Village’s obligations under the Agreement.

ADOPTED this 19th day of May, 2015, pursuant to a roll call vote as follows:

AYES: Mayor Edwenna Perkins, Trustee(s) H. Yarbrough, Sr., L. Brandon, A. Dorris, M. Rogers, M. Lightford and R. Rivers.

NAYS: None

ABSENT: None

APPROVED this 21st day of May, 2015, by the Village President of the Village of Maywood, and attested by the Village Clerk on the same day.

ATTEST:

VILLAGE PRESIDENT

VILLAGE CLERK
Exhibit “A”

LIEN SUBORDINATION AGREEMENT

FOR THE ILLINOIS DISASTER RECOVERY HHR PROGRAM
PROMISSORY NOTE AND LIEN FILED AGAINST
THE 1713 WASHINGTON BOULEVARD PROPERTY
TO BE ENTERED INTO BY THE VILLAGE OF MAYWOOD,
BMO HARRIS BANK N.A. AND JOHN BOYD (PROPERTY OWNER)

(attached)
LIEN SUBORDINATION AGREEMENT

THIS LIEN SUBORDINATION AGREEMENT is made this ___ day of May, 2015 by and between BMO HARRIS BANK N.A., the VILLAGE OF MAYWOOD, a home rule Illinois Municipal Corporation, and JOHN BOYD, fee simple owner of the real property located at 1713 Washington Boulevard, Maywood, Illinois 60153.

WITNESSETH:

WHEREAS, the Village of Maywood participated in the Illinois Disaster Recovery HRR Program ("IDRP") to assist with housing rehabilitation activities in owner-occupied low-income housing units due to flooding incidents within the Village; and

WHEREAS, John Boyd, the owner of the real property located at 1713 Washington Boulevard, Maywood, Illinois (the "Property"), applied for and received a forgivable IDRP loan in the amount of THIRTY-SIX THOUSAND THREE HUNDRED NINETY-FIVE AND 04/100 DOLLARS ($36,395.04) (the "IDRP Loan Amount"), as reflected in Promissory Note and Notice of Lien dated July 29, 2013, and filed against title to the Property on March 7, 2014 with the Cook County Recorder of Deeds as Document Number 1406655011 (the "Village's IDRP Promissory Note and Lien"). The Village's IDRP Promissory Note and Lien secures the IDRP Loan Amount as an enforceable lien filed against title to the Property; and

WHEREAS, the Property, which is subject to the Village's IDRP Promissory Note and Lien, is legally described as follows:

LOT 3 IN BLOCK 18 IN CUMMINGS AND FOREMAN'S REAL ESTATE CORPORATION GOLF CLUB SUBDIVISION IN SECTION 10, TOWNSHIP 39 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS;

Property Address: 1713 Washington Boulevard, Maywood, Illinois 60153;

P.I.N.: 15-10-315-020-0000;

and

WHEREAS, BMO Harris Bank N.A. ("the Bank") intends to issue a new mortgage for the Property to John Boyd in the amount of ONE HUNDRED FORTY-FIVE THOUSAND AND 00/100 DOLLARS ($145,000.00) (the "New Mortgage"), provided that the Village agrees to subordinate the priority of its Promissory Note and Lien to the Bank's New Mortgage; and

WHEREAS, the Village is willing to subordinate the priority of its IDRP Promissory Note and Lien filed against title to the Property in accordance with the terms of this Agreement.
NOW, THEREFORE, in consideration of the mutual covenants, agreements, and good and valuable consideration recited herein, the sufficiency of which is acknowledged, JOHN BOYD, BMO HARRIS BANK N.A. and the VILLAGE OF MAYWOOD agree as follows:

1. INCORPORATION OF RECITALS. Each of the introductory statements contained in the preamble hereto is incorporated into this Agreement as material terms and provisions agreed to by the parties.

2. SUBORDINATION OF IDRP PROMISSORY NOTE AND LIEN. The Village acknowledges and agrees that the IDRP Promissory Note and Lien shall be subordinate to the BMO Harris Bank N.A.’s New Mortgage, and that nothing contained in this Agreement shall affect, modify or alter the priority or right of the Bank to receive payments pursuant to its New Mortgage in a priority position over the subordinated Village’s rights under the IDRP Promissory Note and Lien. Further provided, this subordination by the Village is limited in its scope and purpose and applies only to subordination in regard to the Bank’s New Mortgage and does not in any manner affect, modify or alter the priority or rights of the Village as to other existing or later filed mortgages, liens or other encumbrances filed against title to the Property. The existing mortgage(s) that are filed against title to the Property shall be paid off in full and removed from title as part of the issuance of the New Mortgage.

3. NOTICES. Notices and demands hereunder shall be in writing and shall be deemed served when either are personally delivered or sent by prepaid or certified mail, addressed as follows:

If to the Village: Village Manager
Village of Maywood
40 East Madison Street
Maywood, Illinois 60153

If to the Lender: BMO Harris Bank N.A.
111 West Monroe, 4W
Chicago, Illinois 60603

or to such other address as the addressees may designate by written notice actually delivered to the other party.

4. MISCELLANEOUS. The paragraph headings herein are for convenience only and shall not be used to constitute or interpret this Agreement. This Agreement contains the entire understanding among the parties hereto, supersedes all previous negotiations, commitments and writings, and can be altered or otherwise amended only by written instrument signed by the party or parties sought to be bound thereby. This Agreement is entered into, is to be performed, and shall be governed by and construed in accordance with the laws of the State of Illinois. For purposes of any lawsuit(s) between the parties, venue shall be in Cook County, Illinois. This Agreement shall extend to and bind the respective successors and assigns of the parties hereto.

Signature Page to Follow
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written, which shall be the last signatory date below.

Village of Maywood, Illinois,
a home rule Illinois municipal corporation

By: ______________________________
    Edwenna Perkins, Village President

Date: ______________________________

BMO Harris Bank N.A.

By: ______________________________
    Name: ______________________________
    Title: ______________________________

Date: ______________________________

John Boyd

____________________________________
    Signature

Date: ______________________________

Please return to:
Village Attorney
Michael T. Jurusik,
Klein, Thorpe and Jenkins, Ltd.
20 North Wacker Drive, Suite 1660
Chicago, Illinois 60606
312/984-6400
Box 324

ATTEST:

By: ______________________________
    Viola Mims, Village Clerk

Date: ______________________________
STATE OF ILLINOIS   
) SS.
COUNTY OF COOK    
)

ACKNOWLEDGMENT
FOR JOHN BOYD

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that John Boyd, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that he signed and delivered the said instrument under his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this _____ day of ____________, 2015.

--------------------------------------------------------
Notary Public
STATE OF ILLINOIS )
COUNTY OF COOK )

SS.

ACKNOWLEDGMENT
FOR BMO HARRIS BANK N.A.

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that ________________________________, an employee of BMO HARRIS BANK N.A., personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that, he/she signed and delivered the said instrument under his/her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this _____ day of __________, 2015.

__________________________________________
Notary Public
1. This property has been approved for the Illinois Department of Housing and Urban Development (HUD) under the Federal Housing Administration (FHA). The interest rate is fixed for the life of the loan.
2. This property is an FHA-insured mortgage and is subject to the terms and conditions of the FHA Loan. The terms of the loan include:
   - The down payment is 3.5% of the purchase price.
   - The monthly mortgage payment includes principal, interest, taxes, and insurance.
   - The mortgage term is 30 years.
3. The property is located in the Village of Maywood, Illinois. The property address is 1313 Washington Blvd, Maywood, IL 60153.
4. The mortgage amount is $140,000.00. The annual interest rate is 4.50%.
5. The property is a single-family home with 4 bedrooms and 2 bathrooms.
6. The property is subject to the terms and conditions of the FHA Loan. The terms of the loan include:
   - The down payment is 3.5% of the purchase price.
   - The monthly mortgage payment includes principal, interest, taxes, and insurance.
   - The mortgage term is 30 years.
7. The property is located in the Village of Maywood, Illinois. The property address is 1313 Washington Blvd, Maywood, IL 60153.
8. The mortgage amount is $140,000.00. The annual interest rate is 4.50%.
9. The property is a single-family home with 4 bedrooms and 2 bathrooms.
10. The property is subject to the terms and conditions of the FHA Loan. The terms of the loan include:
    - The down payment is 3.5% of the purchase price.
    - The monthly mortgage payment includes principal, interest, taxes, and insurance.
    - The mortgage term is 30 years.
11. The property is located in the Village of Maywood, Illinois. The property address is 1313 Washington Blvd, Maywood, IL 60153.
12. The mortgage amount is $140,000.00. The annual interest rate is 4.50%.
13. The property is a single-family home with 4 bedrooms and 2 bathrooms.
14. The property is subject to the terms and conditions of the FHA Loan. The terms of the loan include:
    - The down payment is 3.5% of the purchase price.
    - The monthly mortgage payment includes principal, interest, taxes, and insurance.
    - The mortgage term is 30 years.
15. The property is located in the Village of Maywood, Illinois. The property address is 1313 Washington Blvd, Maywood, IL 60153.
16. The mortgage amount is $140,000.00. The annual interest rate is 4.50%.
17. The property is a single-family home with 4 bedrooms and 2 bathrooms.
18. The property is subject to the terms and conditions of the FHA Loan. The terms of the loan include:
    - The down payment is 3.5% of the purchase price.
    - The monthly mortgage payment includes principal, interest, taxes, and insurance.
    - The mortgage term is 30 years.
19. The property is located in the Village of Maywood, Illinois. The property address is 1313 Washington Blvd, Maywood, IL 60153.
20. The mortgage amount is $140,000.00. The annual interest rate is 4.50%.
STATE OF ILLINOIS   
   ) SS
COUNTY OF COOK   

CLERK'S CERTIFICATE

I, Viola Mims, Clerk of the Village of Maywood, in the County of Cook and State of Illinois, do hereby certify that the annexed and foregoing is a true and correct copy of that certain Resolution now on file in my Office, entitled:

RESOLUTION NO. R-2015-12

A RESOLUTION APPROVING A LIEN SUBORDINATION AGREEMENT FOR THE ILLINOIS DISASTER RECOVERY HHR PROGRAM PROMISSORY NOTE AND LIEN FILED AGAINST THE 1713 WASHINGTON BOULEVARD PROPERTY TO BE ENTERED INTO BY THE VILLAGE OF MAYWOOD, BMO HARRIS BANK N.A. AND JOHN BOYD (PROPERTY OWNER)

which Resolution was passed by the Board of Trustees of the Village of Maywood at a Regular Village Board Meeting on the 19th day of May 2015, at which meeting a quorum was present, and approved by the President of the Village of Maywood on the 21st day of May, 2015.

I further certify that the vote on the question of the passage of said Resolution by the Board of Trustees of the Village of Maywood was taken by Ayes and Nays and recorded in the minutes of the Board of Trustees of the Village of Maywood, and that the result of said vote was as follows, to-wit:

AYES: Mayor Edwenna Perkins, Trustee(s) H. Yarbrough, Sr., I. Brandon, A. Dorris, M. Rogers, M. Lightford and R. Rivers.

NAYS: None

ABSENT: None

I do further certify that the original Resolution, of which the foregoing is a true copy, is entrusted to my care for safekeeping, and that I am the lawful keeper of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Village of Maywood, this 21st day of May, 2015.

[SEAL]

Village Clerk