

**TENTATIVE RESOLUTION ACCEPTING SUBORDINATION AGREEMENT FOR  
PROPERTY INTEREST AT 7 E LINCOLN STREET, MARSHALLTOWN, IOWA 50158 BEING  
LEAD ABATEMENT PROJECT NO. 53516071**

WHEREAS the owners of a property located at 7 E Lincoln Street, Marshalltown, Iowa has participated in the Marshalltown Lead Hazard Control Program; and

WHEREAS the nature of the Marshalltown Lead Hazard Control Program is to provide qualifying applicants with forgivable loans for the purpose of eliminating residential lead-based paint hazards; and

WHEREAS a lien has been filed to enforce the provisions of the forgivable loan which is recorded as Instrument No. 2017-00000817 in the records of Marshall County, Iowa; and

WHEREAS the owner of said property wishes to refinance the property in order to put change the loan into a family member's name due to the passing of the original loan recipient, which refinancing requires the city's liens to be subordinated to the new mortgage agreement; and

WHEREAS such a subordination may be construed as a disposal of an interest in real property pursuant to Section 364.7 of the Code of Iowa, thus necessitating a proposed resolution and public hearing.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MARSHALLTOWN, IOWA:

Section 1. The City of Marshalltown, Iowa by this Tentative Resolution proposes to consent to the filing of the attached Subordination Agreement, which is incorporated and made part of this resolution.

Section 2. The attached Subordination Agreement, shall be for real property located at 7 E Lincoln Street, Marshalltown, Iowa described as follows:

The West 69 feet of Lot 6 and the West 69 feet of the North one-half of Lot 5, Block 2, Webster's Second Addition to the Town of North Marshall, Marshall County, Iowa.

Section 3. The City Clerk shall cause to be published the notice required by law, by publication once in the Marshalltown Times-Republican, a newspaper having general circulation in the City of Marshalltown, Iowa, and published at least once weekly, the publication to be not less than ten (10) nor more than twenty (20) days prior to the date hereinafter fixed for public hearing concerning this matter. Said public hearing is hereby fixed the 10th day of June 2019, at the Council meeting to commence at 5:30 PM in the Council Chambers, 10 W. State Street, Marshalltown, Iowa. Said public hearing shall convene to consider any and all comments filed with the City Clerk or made in open council meeting in response to the proposed action as recited herein, and the Council shall have authority to take final action at that time.

Passed this \_\_\_\_\_ day of \_\_\_\_\_ 2019, and signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

CITY OF MARSHALLTOWN, IOWA

\_\_\_\_\_  
Joel T.S. Greer, Mayor

ATTEST:

\_\_\_\_\_  
Shari L. Coughenour, CMC, City Clerk

**SUBORDINATION AGREEMENT**

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS Olivia Sanchez, Raul Hernandez and Fatima Hernandez are the owners of the following described premises:

The West 69 feet of Lot 6 and the West 69 feet of the North one-half of Lot 5, Block 2, Webster’s Second Addition to the Town of North Marshall, Marshall County, Iowa.

WHEREAS said property owner has executed a Forgivable Loan in favor of the City of Marshalltown, Iowa (hereinafter referred to as CITY OF MARSHALLTOWN), which are recorded as Instrument No. 2017-00000817 in the records of Marshall County, Iowa, and the City of Marshalltown is the present lien holder thereof; and

WHEREAS the CITY OF MARSHALLTOWN recognizes said property owner wishes to refinance current mortgage obligations; and,

WHEREAS Pinnacle Bank has requested a condition prior to approving a mortgage loan to said property owner which requires the city’s lien to take a subordinate position to the property owner’s refinancing efforts.

NOW THEREFORE the City of Marshalltown specifically subordinates the Marshalltown forgivable loans to said mortgage of Pinnacle Bank; and

The City of Marshalltown further acknowledges the mortgage of Pinnacle Bank as a first and prior lien upon said premises, not to exceed \$57,000.00 nor be increased without prior written consent of the City of Marshalltown; and

The City of Marshalltown, by the execution of this Subordination Agreement, does not release the liens of its Forgivable Loans, but only subordinates and makes junior such liens to the mortgage of Pinnacle Bank and all correction hereinafter.

Witness the hand and seal of the undersigned this \_\_\_\_ day of \_\_\_\_\_ 2019.

CITY OF MARSHALLTOWN, IOWA

\_\_\_\_\_  
Joel T.S. Greer, Mayor

STATE OF IOWA  
COUNTY OF MARSHALL

On this \_\_\_\_ day of \_\_\_\_\_ 201\_\_ before me, a Notary Public, appeared Joel T.S. Greer, Mayor, who being duly sworn, did say that he is the chief elected official of the CITY OF MARSHALLTOWN, and that the foregoing instrument was signed by him/her on behalf of the CITY OF MARSHALLTOWN as the free act and deed of said city. IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal, the date and year last above written.

\_\_\_\_\_, Notary Public

My commission expires: