

RESOLUTION

A RESOLUTION AUTHORIZING THE EXECUTION OF A SUBORDINATION OF LIEN FOR THE PROPERTY LOCATED AT 309 MADISON STREET (SRP-026)

WHEREAS, the Village of Oak Park's Small Rental Rehabilitation Program ("Program") authorizes the Village to make forgivable loans to owners of multi-family apartment buildings with less than eight (8) units for the purposes of rehabilitating properties; and

WHEREAS, in return, loan recipients are required to enter into a Loan Commitment and Agreement which requires that 51% of the units be rented to households earning below 80% of the Area Median Income (AMI) for Cook County and to be affirmatively marketed through the Oak Park Regional Housing Center to encourage racial diversity among residents; and

WHEREAS, Program loans are supported by an Installment Note and a forgivable Mortgage which is recorded against the property to insure that the terms of the Loan Commitment and Agreement are followed; and

WHEREAS, the Village awarded a \$5,000.00 Small Rental Rehabilitation Program Loan to Chrystal Kyles ("Owner") as the owner of a one (1) unit mixed-use building located at 309 Madison Street, Oak Park, Illinois ("Property"); and

WHEREAS, the Owner entered into an Installment Note for \$5,000.00 dated March 2, 2015; and

WHEREAS, the Owner entered into a Small Rental Property Loan Commitment and Agreement SRP-026 with the Village, which expires on March 2, 2017; and

WHEREAS, the Mortgage supporting the Village's loan was recorded against the Property with the Cook County Recorder of Deeds as Document Number 1508916019; and

WHEREAS, the Village's mortgage was a junior mortgage against the Property at the time it was recorded; and

WHEREAS, the Owner desires to refinance the first mortgage on the Property; and

WHEREAS, the Owner has applied for and been conditionally approved for a mortgage by ABC Bank conditioned on the mortgage being the first lien on the Property; and

WHEREAS, it is in the best interests of the Village to enter into a Subordination of Lien for the purpose of allowing the Owner to obtain a new first mortgage, provided the Owner continues to abide by the terms of the Loan Commitment and Agreement, Installment Note and Mortgage.

NOW THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Oak Park, Cook County, Illinois, in the exercise of their home rule powers, as follows:

Section 1. Findings. The foregoing recitals are adopted as findings of fact of the Village Board and are incorporated herein as though fully set forth.

Section 2. Authorization. The Village Manager is authorized and directed to execute the attached Subordination of Lien for the purposes set forth in the Findings. Said Subordination shall conform substantially to the Subordination attached hereto.

Section 3. Endorsement. The Village Manager is authorized and directed to endorse the Village’s Installment Note for the Subject Property with the following recital: “This Note for \$5,000 is secured by Mortgage document #1508916019, dated March 2, 2015, which is junior and subordinate to the lien of that certain Mortgage document dated _____, securing an interest in 309 Madison Street from ABC Bank 5645 W. Lake Street Chicago. IL 60644, its successors and or assigns as their interests may appear to Chrystal Kyles to secure an installment note for \$130,000 dated _____.”

Section 4. Effective Date. This Resolution shall be in full force and effect from and after its passage and adoption as provided by law.

ADOPTED this 16th day of November, 2015 pursuant to a roll call vote as follows:

Voting	Aye	Nay	Absent	Abstain
President Abu-Taleb				
Trustee Barber				
Trustee Brewer				
Trustee Lueck				
Trustee Ott				
Trustee Salzman				
Trustee Tucker				

APPROVED this 16th day of November, 2015.

Anan Abu-Taleb, Village President

ATTEST

Teresa Powell, Village Clerk