

RESOLUTION NO. 2647

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE A SUBORDINATION AGREEMENT WITH JANICE BERGERON (ALLOWING A MORTGAGE REFINANCE FOR A CDBG RECIPIENT).

WHEREAS, in June 2009, Janice Bergeron (“Bergeron”) entered into an agreement with the Town of Payson (“Town”) whereby the Town awarded Bergeron a Community Development Block Grant (“CDBG”) in the form of a forgivable loan to make improvements to her home; and

WHEREAS, said loan is secured by a deed of trust and promissory note; and

WHEREAS, the Town has adopted Housing Rehab Guidelines that govern applicants and persons receiving CDBG funds; and

WHEREAS, such Housing Rehab Guidelines make provision for the Town to subordinate its lien in certain refinancing situations; and

WHEREAS, Bergeron desires to refinance her home to lower her monthly mortgage payment and has requested that the Town subordinate its lien to the proposed new lender, Desert Schools Federal Credit Union; and

WHEREAS, following such subordination, the Town will be in a second position as it is now; and

WHEREAS, for such purpose, a Subordination Agreement has been prepared,

NOW, THEREFORE, THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO HEREBY RESOLVE AS FOLLOWS:

Section 1. That the Subordination Agreement between the Town of Payson and Janice Bergeron, attached hereto marked Exhibit “A”, be and is hereby approved in substantially the form attached.

Section 2. That Kenny J. Evans, Mayor of the Town of Payson, be and is hereby authorized to execute said Subordination Agreement in substantially the form attached.

Section 3. That the Town of Payson be and is hereby authorized to take such other and further actions as may be necessary or appropriate to fulfilling the intent of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this 8th day of December, 2011, by the following vote:

AYES _____ NOES _____ ABSTENTIONS _____ ABSENT _____

Kenny J. Evans, Mayor

ATTEST:

APPROVED AS TO FORM:

Silvia Smith, Town Clerk

Timothy M. Wright, Town Attorney