

November 19, 2007
Date

RESOLUTION APPROVING SUBORDINATION AGREEMENTS
BETWEEN COMMUNITY BUSINESS LENDERS, LLC, COMMUNITY CHOICE
CREDIT UNION, AND THE CITY OF DES MOINES FOR
BECKLEY PROPERTIES, LLC AND BECKLEY IMPORTS, INC.
D/B/A BECKLEY AUTOMOTIVE

WHEREAS, by Roll Call No. 02-1037, dated April 22, 2002, the City Council approved an economic development loan for \$80,000 for new construction of a commercial building to Beckley Properties, LLC and Beckley Imports, Inc. d/b/a Beckley Automotive (hereinafter collectively referred to as "Company"). The City Loan is secured by a third mortgage on the property located at 901 Eighth Street, Des Moines; and

WHEREAS, the Company has requested that the City subordinate its existing collateral position on the real estate located at 901 Eighth Street, to facilitate the refinancing of the Company's existing debt which is now secured by mortgages senior to the City's position; and

WHEREAS, the requested subordination agreements will allow: (1) Community Business Lenders to refinance from USBank the Company's existing first real estate mortgage loan with a current balance of \$542,000, and (2) Community Choice Credit Union to refinance from USBank existing working capital loans in the amount of \$250,000; and

WHEREAS, the two subordination agreements, attached hereto, have been approved by the legal department.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa that the subordination agreements which subordinate the City's mortgage on the property at 901 Eighth Street, Des Moines to two new mortgages in favor of Community Business Lenders LLC and

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Community Choice Credit Union, securing new loans in the amounts of \$542,000 and \$250,000, respectively, are hereby approved and the Mayor is authorized and directed to execute such document on behalf of the City.

(Council communication No. 07-699)

Moved by _____ to adopt.

APPROVED AS TO FORM:


Michael F. Kelley
Assistant City Attorney

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COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

City Clerk

MOTION CARRIED

APPROVED

Mayor