

★ Roll Call Number

13-1245

Agenda Item Number .....

M.H.G.B. -3

Date..... August 12, 2013 .....

**AUTHORIZATION FOR THE CITY MANAGER TO RELEASE MORTGAGE AND RELATED SECURITY INSTRUMENTS FOR NICK AND TIFFANY JOHNSON, 5604 S. UNION ST. (5(H) AFFORDABLE HOMEOWNERSHIP PROGRAM)**

WHEREAS, the City of Des Moines as the Municipal Housing Agency is a participant in the United States Department of Housing and Urban Development's Section 5(h) Affordable Homeownership Program in which single-family homes are sold to eligible buyers; and

WHEREAS, on May 3, 2004, by Roll Call No. 04-868, the Municipal Housing Governing Board approved the policy for the reduction of the term of forgivable second 5(h) Homeownership mortgages to conform with the current seven year requirement; and

WHEREAS, Nick A. Johnson and Tiffany R. Johnson (collectively "Borrower") purchased the property locally known as 5604 S. Union Street, Des Moines (the "Property"), and the Municipal Housing Agency holds a second mortgage and restrictive covenant on the Property pursuant to the 5(h) Affordable Homeownership Program; and

WHEREAS, on May 20, 2013, by Roll Call No. 13-0760, the Municipal Housing Governing Board approved release of the Municipal Housing Agency's second mortgage and restrictive covenant on the Property prior to expiration thereof in exchange for receipt of \$5,232.90 payment in full toward DMMHA's second mortgage; and

WHEREAS, thereafter, in lieu of payment of the \$5,232.90 outstanding mortgage amount, the Borrower elected to postpone release of the second mortgage and restrictive covenant on the Property until expiration thereof, which expiration has occurred as of August 1, 2013; and

WHEREAS, the Borrower has now applied for forgiveness of the term of the second mortgage, and DMMHA staff have determined that the Borrower has successfully met all of the program requirements and qualify for the loan forgiveness, without mortgage repayment.

NOW, THEREFORE, BE IT RESOLVED by the Municipal Housing Governing Board that on behalf of the City of Des Moines Municipal Housing Agency, the City Manager, or the Housing Director as his designee, are hereby authorized and directed to execute a release and satisfaction of the Affordable Homeownership mortgages, liens, covenants and other security instruments for the Property, in such form as approved by Legal Counsel.

BE IT FURTHER RESOLVED that the City Manager or his designee are authorized to direct that those instruments be recorded with the Polk County Recorder's Office.

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(Board Communication No. 13-422)

Moved by Bradley to adopt.

APPROVED AS TO FORM:

Glenna K. Frank  
 Glenna K. Frank, Assistant City Attorney

M.H.G.B. ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			
MOTION CARRIED		APPROVED		
<u>T.M. Franklin Cownie</u> Mayor				

**CERTIFICATE**

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City of Des Moines, Municipal Housing Agency Governing Board, 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.

Diane Rauh City Clerk