

CITY OF VINELAND

RESOLUTION NO. 2014- 103

A RESOLUTION RESCINDING RESOLUTION 2013-283 AND AUTHORIZING THE SUBORDINATION OF A MORTGAGE LIEN HELD BY THE CITY OF VINELAND WITH RESPECT TO PROPERTY LOCATED AT 26 N. MYRTLE STREET, VINELAND, NEW JERSEY.

WHEREAS, the City of Vineland holds a mortgage lien against certain real estate located at 26 N. Myrtle Street, Vineland, New Jersey, in connection with their participation in the HOME Residential Rehabilitation Program Mortgage of the City of Vineland, and

WHEREAS, the mortgage held by the City of Vineland is dated February 7, 2012, and is in the amount of \$10,205.00 which is a "0" payment "0" interest lien which does not reduce in principal; and

WHEREAS, City Council of the City of Vineland adopted Resolution No. 2013-283, wherein the Mayor and Clerk were authorized to execute a Subordination Agreement subordinating the second priority lien held by the City be subordinated to a mortgage to be given to Gateway Funding DMS, LP, which transaction failed to be completed; and

WHEREAS, the owner of the real estate located at 26 N. Myrtle Street, Vineland, New Jersey, has now requested that the second priority lien which is held by the City be subordinated to a mortgage to be given to GREENTREE MORTGAGE COMPANY, in connection with the refinancing of the first mortgage on the property; and

WHEREAS, it is considered to be in the best interest of the City that said request be accommodated.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Vineland that Resolution 2013-283 be and is hereby rescinded and of no further force and effect; and

BE IT FURTHER RESOLVED, by the City Council of the City of Vineland that the Mayor and City Clerk are hereby authorized and directed to execute a Subordination Agreement subordinating the HOME Residential Rehabilitation Program Mortgage in the principal amount of \$10,205.00, dated February 7, 2012, to a mortgage given by the owner to GREENTREE MORTGAGE COMPANY, with a principal amount of the mortgage not to exceed \$109,600.00; and

BE IT FURTHER RESOLVED, that the owner shall bear any and all costs associated with the preparation of said documents.

Adopted:

President of Council

ATTEST:

City Clerk

**CITY OF VINELAND
DEPARTMENT OF LAW
RICHARD P. TONETTA, ESQUIRE
Director and City Solicitor**

717 Elmer Street
Vineland, NJ 08360
(856) 794-1400
(856) 794-1035 (Fax)

February 13, 2014

TO : Council President Fanucci and Members of City Council
FROM: Richard P. Tonetta, Esquire
RE : Subordination – 26 N. Myrtle Street

Dear Council President Fanucci and Council Members:

Council has heretofore adopted Resolution 2013-283 which was a Resolution authorizing a subordination of debt for property known as 26 N. Myrtle Street. The First mortgage company was Gateway Mortgage. The owner chose not to complete the closing at that time.

Recently, the owner has reconsidered refinancing with a new lender, to wit, Greentree Mortgage, which is substantially the same as the previous proposal with Gateway.

As Council approved the previous subordination for the reasons set forth in my previous correspondence, I will assume the same will be considered at this time

Very truly yours,

**Richard P. Tonetta, Esq.
Solicitor, City of Vineland**

RPT/sl

Cc: Carmen Oldknow, C.S.W., M.Ed.