

**CITY OF COLUMBIA HEIGHTS, MINNESOTA**

**RESOLUTION NO. 2020-95**

**RESOLUTION APPROVING A SUBORDINATION OF MORTGAGE IN  
CONNECTION WITH THE CITY'S SINGLE FAMILY DEFERRED LOAN  
PROGRAM**

BE IT RESOLVED By the City Council ("Council") of the City of Columbia Heights ("City") as follows:

Section 1. Recitals.

1.01. The City has heretofore established a deferred loan program for the rehabilitation of single-family homes (the "Program"), administered by the Economic Development Authority of the City (the "Authority"), and has approved certain deferred loans to individual applicants in connection with the Program.

1.02. Each loan under the Program is secured by a mortgage (the "City Mortgage"), which is subordinated to the mortgage of the applicant's primary lender (the "Primary Mortgage") pursuant to the Authority's Subordination Policy (the "Policy").

1.03. Julie L. Berg, (the "Applicant"), who received a loan secured by a City Mortgage under the Program, now wish to refinance their Primary Mortgage, and have requested that the City subordinate its City Mortgage to the new Primary Mortgage.

1.04. City staff and legal counsel have reviewed Applicant's request and documentation, have determined that subordination of the City Mortgage to the new Primary Mortgage complies with the Policy in all respects, and have prepared a Subordination of Mortgage (the "Subordination"), attached as Exhibit A, for review and approval by the Council.

1.05. The Council has reviewed the Subordination and finds that the approval and execution of the Subordination are in the best interest of the City and its residents.

Section 2. City Approval; Other Proceedings.

2.01. The Subordination as presented to the Council is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by the Mayor and City Manager, provided that execution of the Subordination by such officials shall be conclusive evidence of approval.

2.02. The Mayor and City Manager are hereby authorized to execute on behalf of the City the Subordination.

2.03. City staff and consultants are authorized to take any actions necessary to carry out the intent of this resolution.

Approved by the City Council of the City of Columbia Heights this 9th day of November, 2020.

Offered by:  
Seconded by:  
Roll Call:

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Donna Schmitt, Mayor

ATTEST:

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Nicole Tingley, City Clerk/Council Secretary

## EXHIBIT A

### SUBORDINATION OF MORTGAGE

THIS SUBORDINATION made and entered into this 9th day of November 2020, by the City of Columbia Heights, a Minnesota municipal corporation (the "Mortgagee").

#### RECITALS

A. The Mortgagee is the owner of a Mortgage Deed by Julie Berg ("Mortgagor") dated April 27, 2009 and recorded in the Office of the Recorder of Deeds, Anoka County, Minnesota on July 22, 2010, as document no. 2016435.003 (the "Mortgage") relating to certain real property situated in the County of Anoka, State of Minnesota, legally described in Exhibit A attached hereto (the "Property").

C. The Mortgagor has applied for a mortgage loan from Wells Fargo Bank, N.A., its successors and/or assigns (the "Lender"), in a principal amount not to exceed \$94,800.00 (the "Loan"), and the Lender has indicated that it is unwilling to accept a mortgage on the Property as security for said Loan unless the Mortgagee shall subordinate its Mortgage to the lien to be created by the Lender's mortgage (the "Lender's Mortgage").

NOW, THEREFORE, in consideration of the premises contained herein, the Mortgagee subordinates in all respects to the Lender, and to the lien of the Lender's Mortgage, any and all right, title or interest the Mortgagee has, may have or may hereafter acquire in the Property, and agrees that the Mortgage and Amendment are in all respects subordinate to the Lender's Mortgage and the lien created thereby notwithstanding the order of recording or any other priority requirements which may otherwise exist.

(Signature page follows)

CITY OF COLUMBIA HEIGHTS

By: \_\_\_\_\_  
Its Mayor

By: \_\_\_\_\_  
Its City Manager

STATE OF MINNESOTA     )  
  )SS.  
COUNTY OF ANOKA        )

The foregoing instrument was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 2020,  
by \_\_\_\_\_ and \_\_\_\_\_, the Mayor and City Manager, respectively, of the  
City of Columbia Heights, a Minnesota municipal corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

This document drafted by:

KENNEDY & GRAVEN, CHARTERED (MNI)  
470 US Bank Plaza  
200 South 6<sup>th</sup> Street  
Minneapolis, MN 55402  
(612) 337-9300

**EXHIBIT A**

**Property**  
**1036 42<sup>nd</sup> Ave NE Columbia Heights, MN 55421**  
**36-30-24-23-0145**

THAT PRT OF LOT 9, BLOCK 4, RESERVOIR HILLS, WHICH LIES N  
OF THE S 157.5 FT THEREOF, EX W 5 FT THEREOF, ALSO EX E 10  
FT THEREOF, ALSO EX N 5 FT THEREOF, SUBJ TO EASE OF REC