

ORDINANCE # 2005-04-053

AN ORDINANCE AUTHORIZING THE MAYOR TO EXECUTE
THE SALE BACK AND RELEASE OF A MORTGAGE AND PROMISSORY NOTE
EXECUTED BY FIRST BUSEY TRUST #4296
IN CONNECTION WITH FAIRLAWN VILLAGE PROPERTIES

WHEREAS, the State of Illinois provided a grant in the amount of \$784,000 to the owners of Fairlawn Village for property rehabilitation; and

WHEREAS, June 30, 1990 a promissory note in the amount of \$784,000 and corresponding subordinate mortgage at 0% interest were recorded in favor of the City of Urbana as a condition of said State grant; and

WHEREAS, the note and mortgage is not likely to be repaid to the City of Urbana due to the sale exceptions in such note and mortgage for repayment; and

WHEREAS, the present owners are desirous of having the note and mortgage removed as an encumbrance on the property to improve their equity and borrowing potential; and

WHEREAS, the City of Urbana and property owner have agreed that the present value of the note and mortgage is \$284,400 based on a 25-year mortgage at 5% interest; and

WHEREAS, the owner is willing to buy back the note and mortgage from the City in this amount:

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Urbana, Illinois as follows:

That the Mayor of the City of Urbana, Illinois is hereby authorized to execute the sale and release of the Fairlawn Village note and mortgage in the amount of \$283,400, said funds to be deposited in the City treasury upon closing.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members

of the Council of the City of Urbana, Illinois, at a meeting of
said Council.

PASSED by the City Council this _____ day of _____,
2005.

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
2005

Tod Satterthwaite, Mayor