

RESOLUTION

WHEREAS, the Township of West Orange Housing Rehabilitation Program has a mortgage against certain real property owned by John Stein and Sandra Stein (the "Owners") residing at 4 Pillot Street, Block 24, Lot 49 (the "Property"), in the amount of Thirty-Five Thousand Dollars (\$35,000.00), which was dated January 11, 2013 and recorded in the Essex County Register's Office on March 26, 2013 in Book 14242, Page 9059 (the "WOHRP Mortgage"); and

WHEREAS, there is a first mortgage on the Property held by BSI Financial ("BSI") in the outstanding amount of One Hundred Eleven Thousand Nine Hundred Twenty-Four Dollars (\$111,924.00) (the "First Mortgage") for which the Owners are required to pay \$1,304 per month; and

WHEREAS, there is also a second mortgage on the Property held by TD Bank ("TD Bank") in the outstanding amount of Thirty-Two Thousand Four Hundred Ninety-Six Dollars (\$32,496.00) (the "Second Mortgage") for which the Owners are required to pay \$306 per month; and

WHEREAS, a foreclosure action was brought against the Owners for their failure to make timely payments towards the First Mortgage, the Owners desire to obtain a reverse mortgage from Advisors Mortgage Group, LLC ("Advisors Mortgage") in the amount of One Hundred Thirty Thousand Five Hundred Thirty (\$130,530.00), and with an interest rate of 5.044% (the "Reverse Mortgage") in order to allow them to continue to reside in the Property; and

WHEREAS, the Reverse Mortgage will provide funds towards paying off the First Mortgage and the Second Mortgage with the Owners paying the remaining balance due on the First Mortgage and Second Mortgage; and

WHEREAS, the Owners have requested that the Township of West Orange subordinate the WOHRP Mortgage to the Reverse Mortgage; and

WHEREAS, the appraised value of the property is \$295,000; and

WHEREAS, based on the amount of the Reverse Mortgage as compared to the First Mortgage and Second Mortgage, the proposed subordination will not materially change the equity available to satisfy the WOHRP Mortgage;

NOW THEREFORE, BE IT RESOLVED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF WEST ORANGE, that the Mayor be and hereby is authorized to execute a Subordination of Mortgage, annexed hereto as Exhibit “A,” in favor of Advisors Mortgage with respect to the Property and the Owners; and be it further

RESOLVED, that the Municipal Clerk be and is hereby authorized to attest to the Mayor’s signature on the Subordination of Mortgage; and be it further

RESOLVED, that a copy of this Resolution shall be made available in the Clerk’s office in accordance with applicable law.

Karen J. Carnevale, R.M.C.
Township Clerk

Susan McCartney
Council President

Adopted: November 27, 2018