

Preparer/Return To: Douglas D. Herman, Lynch Dallas, P.C., 316 2nd St. SE, Ste. 124, Cedar Rapids, IA 52401
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**AGREEMENT TO TERMINATE DEVELOPMENT AGREEMENT,
RELEASE OF PROMISSORY NOTE, MORTGAGE
&
RELEASE OF UCC FINANCING STATEMENT**

WHEREAS, the City of Marshalltown, Iowa, (“City”) and Huegerich Construction Company (“Huegerich”) (City and Huegerich referred to jointly as the “Parties”) entered into a “Community Development Block Grant Disaster Recovery Multi-Family Unit Rental Development Agreement” (“Agreement”) with an effective date of October 31, 2023, and

WHEREAS, City and Huegerich also entered into a Mortgage (“Mortgage”) dated October 31, 2023, a Community Development Block Grant – Disaster Recovery Promissory Note (The “CDBG-DR Note”) (“Promissory Note”) dated November 8, 2023, and consistent with the terms of the Agreement, a UCC Financing Statement (“Financing Statement”) thereafter filed with the Iowa Secretary of State on January 25, 2024, and

WHEREAS, the purpose of the Agreement, and related Mortgage, Promissory Note, and UCC Financing Statement was to set forth terms and provisions governing the disbursement of Community Development Block Grant Disaster Recovery (CDBG-DR) funds (“Funds”) received by the City, the City as CDBG-DR Contract Owner under CDBG-DR Contract Number 20-DRH-021, to Huegerich, said Funds to be used by Huegerich to assist in the costs of construction of six (6) affordable single-family housing units at **106 North 4th Avenue, Marshalltown, IA 50158**, (“Project”) as more fully described in the Agreement, and

WHEREAS, Huegerich has decided to not proceed with the Project, having given Notice of intent to Terminate the Agreement to the City as provided in “Paragraph V. General Conditions (G) Suspension or Termination” of the Agreement, and no Funds have been disbursed by the City to Huegerich under the Agreement, and

WHEREAS, the Parties, desire to document their mutual agreement to Terminate the Development Agreement and to release the Promissory Note, Mortgage, and Financing Statement.

NOW, THEREFORE, THE PARTIES DO HEREBY AGREE AS FOLLOWS

1. The Agreement between the Parties, referenced above, is hereby terminated in full, with Huegerich releasing the City from any and all obligations under the Agreement and the City releasing Huegerich from any and all obligations under the Agreement.
 - a. For clarification purposes, the Parties agree that the Agreement referred to various exhibits to the Agreement, including “Exhibit D-Assignment of Leases and Rents” and Exhibit “E-Agreement for Covenants and Restrictions”, and hereby confirm that the reference to said exhibits was in error, that said exhibits were never intended to be attached, and were not, in fact, created or attached to the Agreement.
2. The Promissory Note executed by Huegerich in favor of the City is hereby Released in full by the City.
3. The Mortgage granted by Huegerich to City pledging certain real estate as collateral for the Promissory Note is hereby released, and because said Mortgage was recorded with the Marshall County Recorder, as Document #2023-00005031, same will also be released of record by Mortgage Release to be approved, signed, and recorded by City.
4. The Financing Statement filed with the Secretary of State on January 25, 2024 as Document Number: E24004540-4 will be released by the filing of a UCC Financing Statement Release to be approved, signed, and filed by City.

Words and phrases herein, including acknowledgment hereof, shall be construed as in the singular or plural number, and as masculine, feminine or neuter gender, according to the context.

Dated _____.

Joel Greer, Mayor of City of Marshalltown, Iowa

Dated _____.

Ryan Huegerich, Huegerich Construction Company

STATE OF IOWA, COUNTY OF MARSHALL)§

This record was acknowledged before me on _____, by Joel Greer as Mayor of City of Marshalltown, Iowa.

Notary Public, State of Iowa

STATE OF IOWA, COUNTY OF MARSHALL)§

This record was acknowledged before me on _____, by Ryan Huegerich as President of Huegerich Construction Company, i.e. the Corporation.

Notary Public, State of Iowa