

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Community and Human Development

**AGENDA DATE:** July 6, 2010

**CONTACT PERSON NAME/PHONE:** William L. Lilly, Director / 541-4241

**DISTRICT(S) AFFECTED:** 7

**SUBJECT:**

City Council is asked to approve a Resolution authorizing the City Manager to execute an Assignment of Notes and Lien, assigning the loan notes held by the City of El Paso and the City's lien interest on the property located at 319 Petty Lane, El Paso, Texas securing the same to Lawyers Title Insurance Corporation, who will pay the City the outstanding principal and accrued interest that are owing to the City under the loan notes, as well as the collection attorney fees that are due.

**BACKGROUND / DISCUSSION:**

The property at 319 Petty Lane was sold by the owner thru Lawyer's Title; however, the City's lien for rehabilitation work completed on the property was overlooked. Subsequently, no loan payments were made to the City and the loan notes were submitted for foreclosure proceedings.

While researching the property, the foreclosure attorney discovered the property was sold to a new owner without consideration of the City's lien. As a result, Lawyers Title submitted a request to pay off the City's loan notes, in full, as well as the collection attorney fees. Lawyer's title is requesting the lien be assigned to them, so they may preserve their right to seek reimbursement from the previous owner.

**PRIOR COUNCIL ACTION:**

None

**AMOUNT AND SOURCE OF FUNDING:**

N/A – No Cost to the City

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**BOARD / COMMISSION ACTION:**

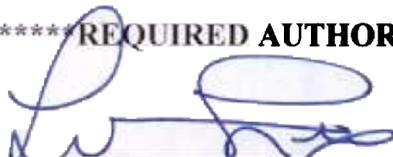
Enter appropriate comments or N/A

N/A

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**

  
\_\_\_\_\_  
William L. Lilly

*Information copy to appropriate Deputy City Manager*

**RESOLUTION**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

That the City Manager be authorized to execute an Assignment of Notes and Lien, assigning the loan notes held by the City of El Paso and the City's lien interest on the property located at 319 Petty Lane, El Paso Texas securing the same to Lawyers Title Insurance Corporation, upon payment of the outstanding principal, accrued interest, and collection attorney's fees due and owing to the City under the loan notes.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

**THE CITY OF EL PASO:**

\_\_\_\_\_  
John F. Cook,  
Mayor

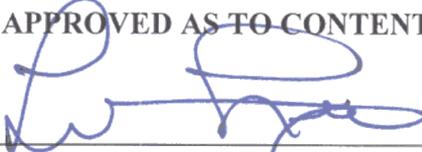
**ATTEST:**

\_\_\_\_\_  
Richarda Duffy Momsen,  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Marie A. Taylor  
Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
William L. Lilly, Director  
Community and Human Development

## ASSIGNMENT OF NOTES AND LIEN

Holder of Notes and Lien: City of El Paso

Holder's Mailing Address: 2 Civic Center Plaza  
El Paso, Texas 79901-1196  
El Paso County, Texas

Assignee: Lawyers Title Insurance Corporation

Assignee's Mailing Address: 6601 Frances Street  
Omaha, NE 68106  
Douglas County, Nebraska

### Promissory Note:

Date: July 29, 1982

Original Amount: Six Thousand Three Hundred Seventy and No/100ths  
Dollars (\$6,370.00)

Maker: Paulino Chavez and Consuelo Chavez

Payee: City of El Paso

Unpaid Principal: \$5,573.35  
Unpaid Interest: \$5,317.81  
Collection Attorney's Fees: \$1,200.00

### Secured Grant Note:

Date: July 29, 1982

Original Amount: Nine Hundred Eighty and No/100ths Dollars (\$980.00)

Maker: Paulino Chavez and Consuelo Chavez

Payee: City of El Paso

Unforgiven Grant Balance: \$980.00

**FOR VALUE RECEIVED**, the undersigned, as holder of certain notes dated July 29, 1982 made by Paulino Chavez and Consuelo Chavez and secured by the instrument referenced herein, hereby assigns, grants, transfers and conveys to the LAWYERS TITLE INSURANCE CORPORATION without recourse, all rights, title, and interest in and to a certain Builder's and Mechanic's Lien Contract (With Power of Sale) dated July 29, 1982, recorded in Volume 1278, Page 1078 of the Real Property Records of El Paso County, Texas under Clerk's File No. 49036 between Paulino Chavez and Consuelo Chavez, as Owner, and Ray Juarez d/b/a Ray Juarez, as

Contractor, for the original principal amount of \$7,350.00 and transferred with deed of trust lien to the City of El Paso, as beneficiary, together with the Notes and all other liens secured by said Builder's and Mechanic's Lien Contract (With Power of Sale) on the following described property:

Lot 18, Block 6, SAN CARLOS ADDITION SECTION TWO, an addition to the City of El Paso, El Paso County, Texas, according to the map thereof on file in Book 31, Page 28, Plat Records of El Paso County, Texas; more commonly known as 319 Petty Lane, El Paso, Texas 79907.

When the context requires, singular nouns and pronouns include the plural.

Executed this the \_\_\_\_\_ day of \_\_\_\_\_, 2010.

CITY OF EL PASO

By: \_\_\_\_\_

\_\_\_\_\_  
Joyce A. Wilson, City Manager

(Acknowledgment)

STATE OF TEXAS            )  
  )  
COUNTY OF EL PASO        )

This instrument was acknowledged before me on \_\_\_\_\_ day of \_\_\_\_\_, 2010, by Joyce A. Wilson, as City Manager of the City of El Paso, Texas, on behalf of said municipal corporation.

\_\_\_\_\_  
Notary Public, State of Texas

Notary's Commission Expires:

Notary's name (printed):

\_\_\_\_\_

**AFTER RECORDING RETURN TO:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PREPARED IN THE OFFICE OF:**

City Attorney  
City of El Paso  
2 Civic Center Plaza, 9th Floor  
El Paso, Texas 79901-1196



Lawyers Title Insurance Corporation  
Omaha Claims Center  
6601 Frances Street  
Omaha, NE 68106  
Direct: 402.498.7000  
Fax: 402.498.7898  
Toll Free: 888.453.4095

June 2, 2010

Firth Johnston & Martinez  
Attn: Antonio Martinez Jr.  
415 North Mesa, Third Floor  
El Paso, Texas 79901

Re: Claim No.: 360439  
Property Address: 319 Petty Lane  
Our Insured: Concepcion Vasquez and Ernesto Vasquez

Dear Mr. Martinez:

Enclosed please find a check in the amount of \$13,071.16 to pay off the note secured by the BUILDER'S & MECHANIC'S LIEN CONTRACT (WITH POWER OF SALE) currently held by the City of El Paso, dated July 29, 1982, executed by Paulino Chavez and Consuelo Chavez, as OWNERS, and recorded in the Office of the County Clerk of El Paso County, on August 4, 1982, as document number 49036, encumbering the above referenced property. Lawyers Title is requesting that the City of El Paso assign the note in exchange for payment of the balance of the note per the Company's email correspondence with Antonio Martinez Jr. on May 25, 2010. Lawyers Title Insurance Corporation would like for you to execute a signed and notarized Assignment of Note ("Assignment"), which I have also enclosed. Upon execution, please send the Assignment to my attention. Please assign the note to the following:

Lawyers Title Insurance Corporation  
6601 Frances Street  
Omaha, NE 68106

Thank you for your cooperation on this matter. If you have any questions, please feel free to contact me at (402) 970-3998 or [Ryan.Galer@fnf.com](mailto:Ryan.Galer@fnf.com). Please include the above claim number in any future correspondence.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ryan S. Galer', is written over a light blue horizontal line.

Ryan S. Galer  
Claims Counsel

enclosures