



Administrative Report

H.10., File # 25-0977

Meeting Date: 7/15/2025

To: MAYOR AND CITY COUNCIL
From: ELIZABETH HAUSE, COMMUNITY SERVICES DIRECTOR

TITLE

APPROVE THE SUBSTITUTION OF TRUSTEE AND FULL RECONVEYANCE OF THE RENTAL REHABILITATION PROGRAM LOAN LIEN FOR THE PROPERTY AT 2412 MARSHALLFIELD LANE, REDONDO BEACH, CA 90278 PURSUANT TO THE TERMS OF THE CITY'S DEFERRED PAYMENT LOAN PROGRAM

EXECUTIVE SUMMARY

The proposed action provides for the substitution of trustee and full reconveyance of the rental rehabilitation loan lien that is in place on 2412 Marshallfield Lane. As part of the Deferred Loan Program Agreement, the City recorded a lien on the property until the home repair loan was repaid. On May 12, 2025, the City received a check, drawn by SoCal Title Company, in the amount of \$7,621.60 to pay the outstanding Deferred Payment Loan (Instrument No. 02-3173451) note in full. Accordingly, the City may proceed with release of the property lien.

BACKGROUND

The owners of 2412 Marshallfield Lane, Joseph J. Murrin and Clara Murrin, received a \$30,000 loan on December 5, 2002, for housing rehabilitation work. This loan was made possible through the City's Deferred Payment Loan Program, which provided low-interest home improvement loans for qualifying low-income Redondo Beach homeowners. The loan could be used to pay for roofing repairs, plumbing and electrical work, and bathroom remodeling. In this case, the annual interest rate was 4% per year for ten years. The Deferred Payment Loan resulted in a lien on the property that was to be removed from the property title once the loan was paid in full.

The owners terminated the contract with the construction company before the work was fully completed, and as a result, the contract was reduced to \$5,000 to reflect the portion of work that had been completed. A new Promissory Note secured by a Deed of Trust was signed on March 12, 2003, for a \$5,444 loan, which included the work that was completed at the house and the document recording fee of \$444.

On May 12, 2025, SoCal Title Company paid \$7,621.60 for the loan plus interest in full with a check made out to the City of Redondo Beach, as instructed by the Housing Division of the Community Services Department. The payment represents a full reconveyance of the original loan lien of \$30,000 in place on 2412 Marshallfield Lane. Following recording of the lien removal by the Los Angeles County Registrar-Recorder/County Clerk, no further action will be required.

COORDINATION

The Substitution of Trustee and Full Reconveyance Agreement has been approved by the City Attorney's Office.

FISCAL IMPACT

There is no fiscal impact associated with this item as the loan has been repaid in full.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Agmt - Substitution of Trustee and Full Reconveyance Agreement
- Deferred Payment Loan Program Contract, March 12, 2003
- Deferred Payment Loan Payoff Letter
- Request for Full Reconveyance
- Voided Check