

OCTOBER 1985

R-57435

#1-4005 City of Gary
824 Broadway, Gary
Attn: Naomi

893409

RENTAL PROPERTY REHABILITATION LIEN

The undersigned property owner(s) (hereafter, the **BORROWER**), in consideration of the receipt of Six Thousand dollars, (\$6,000.00) as a deferred payment loan from the **City of Gary, MAYOR'S OFFICE OF HOUSING CONSERVATION** (hereafter the **LENDER**) for the rehabilitation, preservation and enhancement of primarily rental residential real property containing six (6) dwelling units for rent or lease to tenants, which is commonly known as 304 E. 6th Avenue, Gary and legally described as:

Lot 26, Block 87, Gary Land Company's 1st Subdivision in the City of Gary as shown in Plat Book to, page 15 in Lake County, Indiana.

(hereafter, the **PROJECT**)

legal or equitable title to which is held by the **BORROWER**, hereby agree and consent to the creation and imposition of a lien upon the **PROJECT** for the benefit of the **LENDER**, subject to the following terms and conditions:

- 1) Such lien shall be in the full amount of the deferred payment loan given by the **LENDER** to the **BORROWER**.
- 2) The **BORROWER** agrees that any default on a superior lien shall be a default on this lien and shall render the balance due hereunder at once due and payable.
- 3) The **BORROWER** agrees: to keep dwelling units in the **PROJECT** in good condition and repair, fully tenantable and not to remove or demolish any dwelling unit thereon; to complete or restore promptly and in good and workmanlike manner any dwelling unit which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished to the **PROJECT**; to comply with all laws affecting said **PROJECT** or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act thereon in violation of law.

OFFICER TITLE INSURANCE COMPANY
INDIANA DIVISION

STATE OF INDIANA
COUNTY OF LAKE
RECORDED
RUBEN CLAY
DEC 23 10 44 AM '85

10.00
CT

4) The **BORROWER** agrees: to provide, maintain and deliver to the **LENDER** evidence of fire and extended coverage insurance satisfactory to the **LENDER** in the order and amount sufficient to permit repair or replacement pursuant to paragraph 3, above, of the balance outstanding of this lien.

5) The **BORROWER** agrees to pay all taxes, assessments, utilities and other expenses of the **PROJECT** when due and without delinquency and shall not permit any liens to be imposed on the **PROJECT** by reason of any delinquency.

6) The **BORROWER** agrees not to convert the dwelling units in the **PROJECT** to condominium ownership or to any form of cooperative ownership wherein rents are not affordable to lower income households (as these terms "affordable" and "lower income households" may be defined by the **LENDER**).

7) The **BORROWER** agrees: not to discriminate against or deny occupancy to any tenant or prospective tenant by reason of their receipt of, or eligibility for, housing assistance, under any Federal, State or local housing assistance program; and not to discriminate against or deny occupancy to any tenant or prospective tenant by reason that the tenant has a minor child or children who will be residing with them, unless the **PROJECT** be one reserved for elderly tenants.

8) The term of this lien shall be until the balance due is paid in full or for a period ending on the first day of the month, first occurring five (5) years after the completion of the **PROJECT** rehabilitation, preservation, or enhancement activities financed in whole or in part by the deferred payment loan evidenced by this lien. Unless prepaid or foreclosed, this lien shall be satisfied and be released by the **LENDER** on the 1st day of May , 1991. *The anniversary of this lien shall be the 1st day of May , in each year following the completion of activities financed by the deferred payment loan evidenced by this lien.

*This date must be 5 years from a generously estimated construction completion date in order to assure that a full 5 year period is attained.

- 9) Unless accelerated pursuant to paragraph 10, at each anniversary date of the balance due hereunder shall be reduced by 20 percentum (20%) of the original amount of the deferred payment loan.
- 10) During the term of this lien the **BORROWER** shall make no payments of principal or interest; **PROVIDED HOWEVER**, that if the **BORROWER** shall be in default of any of the terms or conditions of this lien, then the unpaid and remaining balance shall become immediately due and payable upon demand by the **LENDER** and, **PROVIDED FURTHER** that if the **PROJECT** be of ten (10) or more dwelling units, and if the instance of default be the conversion of any or all of said units to condominium use or to cooperative use not affordable for lower income households as defined above, then the full initial amount of the deferred payment loan shall be due and payable without benefit to the **BORROWER** of the 20 percentum anniversary date reductions otherwise made by the **LENDER**.
- 11) The deferred payment loan evidenced by this lien may be assigned and/or assumed: **PROVIDED**, that any and all terms and conditions shall remain in full force and effect for any assignee or successor to the **BORROWER** and such assignee or successor shall assume all duties and obligations of the **BORROWER** as described herein.
- 12) Any subordination of this lien to additional liens or encumbrances of the assignee or successor to the **BORROWER** shall be only upon the written consent of the **LENDER**. Such additional liens and encumbrances shall extend to and include any contract for deed, land contract, or other agreement between the **BORROWER** and his successor or assignee. Such consent to subordinate shall not be unreasonably withheld so long as **LENDER** has the assurance, reasonable to the **LENDER**, that the provisions of this lien remain enforceable and are adequately secured by the **PROJECT**.
- 13) To assure and protect its rights in this lien and the **PROJECT**, the **LENDER** shall have right of access and inspection of the **PROJECT** at reasonable times and with reasonable notice to the **BORROWER**.

14) Any forbearance by the **LENDER** with respect to any of the terms and conditions of this lien in no way constitutes a waiver of any of the **LENDER's** rights or privileges granted hereunder.

15) Any notice of one party to the other shall be in writing to the parties as follows:

THE LENDER - Mayor's Office of Housing Conservation

City of Gary

824 Broadway, 2nd. Floor

Gary, Indiana 46402

THE BORROWER - Frederick Lewis
5528 Van Buren
Merrillville, IN 46410

The **BORROWER**, or his executor in the event of the death of the **BORROWER**, shall notify the **LENDER** of any change in the **BORROWER's** name and address or of any successor or assignee of the **BORROWER**.

16) The interpretation and application of this lien shall be in accordance with the laws and procedures of the State of Indiana, as they may from time to time be amended.

17) In the event of default and nonpayment of the balance due by the **BORROWER**, the **LENDER** may take such measures as may be lawful to it for the recovery of the indebtedness and including, but not limited to, foreclosure and sale of the **BORROWER's** rights in the **PROJECT** and/or assignment and collection of the rents and profits of the **PROJECT**.

18) Upon satisfactory completion of all terms and conditions of this lien by the **BORROWER** or upon payment of any and all balance due, the **BORROWER** shall be entitled to a release and satisfaction of this lien by the **LENDER** at the **BORROWER's** own cost.

This lien is expressly created and imposed upon the above described PROJECT for the purpose of assuring the compliance of the BORROWER with terms and conditions incident to the deferred payment loan evidenced by this lien, such loan being exclusively for the purpose of rehabilitating, preserving and enhancing rental dwelling units in the PROJECT in accordance with the rules and procedures of the RENTAL REHABILITATION PROGRAM of the MAYOR'S OFFICE OF HOUSING CONSERVATION, CITY OF GARY, INDIANA.

DATE

DATE

December 15, 1986

DATE

Frederick Lewis
BORROWER(S) and MAKER(S)
Frederick Lewis

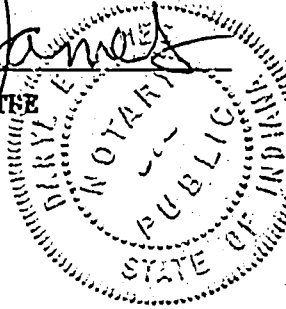
December 15, 1986

DATE

Naomi J. Jefferson
DIRECTOR/DESIGNEE
Naomi J. Jefferson

STATE OF INDIANA
COUNTY OF LAKE

On the 15th day of December, A.D., 1986, before me, a Notary Public, personally appeared Frederick Lewis (Owner) & Naomi J. Jefferson (Interim Director) and are to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that this was a free and voluntary act and deed.

David E. James
NOTARY PUBLIC IN AND FOR THE
STATE OF INDIANA
COUNTY OF LAKE


My Commission expires 10-5-90.

THIS INSTRUMENT PREPARED BY: Mary E. Watkins