

#b: 4788

Lake Co. Comm. Dep  
Dept. 2293 N. Main St  
Crown Pt.

Date October 23, 1987

R-58453

VERY LOW INCOME PROPERTY REHABILITATION MORTGAGE

5 946368

The undersigned property owner(s) (hereafter, the BORROWER), in consideration of the receipt of Four Thousand Seven Hundred Fifty-Five & 00/100 dollars, (\$ 4,755.00 ) as a deferred payment loan from the Lake County Community Development Department

(hereafter, the LENDER) for the rehabilitation, preservation and enhancement of residential real property containing one dwelling unit occupied by the owner, which is commonly known as 1104 Woodland Court Lowell, Indiana 46356 and legally described as: Address

The South 150 feet of the North 969 feet of the West 100 feet of the East 220 feet of the N.E. 1/4 of the N.E. 1/4 of Section 26, Township 33 North Range 9 West of the 2nd P.M., in Lake County, Indiana. (hereafter, the PROJECT)

legal or equitable title to which is held by the BORROWER, hereby mortgages and warrants to the Lake County Community Development Department the above described property to secure the repayment of the above stated deferred payment loan for which the mortgage is granted and secured by a promissory note dated October 23, 1987 subject to the following terms and conditions:

1. Such mortgage 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 mortgage and shall render the balance plus (3%) three percent interest per annum due hereunder at once due and payable.
3. The BORROWER agrees: to keep the dwelling unit in the PROJECT in good condition and repair, fully habitable and not to remove or demolish any part of the dwelling unit thereon; to complete or restore promptly and in good and workmanlike manner the 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.
4. The BORROWER agrees: to provide, maintain and deliver to the LENDER evidence of fire and extended coverage insurance satisfactory to the

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LENDER in the order and amount sufficient to permit repair or replacement pursuant to paragraph 3, above, of the balance outstanding of this mortgage.

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 unit in the PROJECT to rental, commercial, or industrial use or to any form of cooperative ownership for a period of (10) ten years.
7. The term of this mortgage shall be until the balance due is paid in full or for a period ending on the first day of the month, first occurring ten (10) 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 mortgage. Unless prepaid or foreclosed, this mortgage shall be satisfied and be released by the LENDER on the 1st day of Oct, 1997. \*The anniversary of this mortgage shall be the 1st day of October in each year following the completion of activities financed by the deferred payment loan evidenced by this mortgage.  
  
\*This date must be (10) ten years from a generously estimated construction completion date in order to assure that a full (10) ten year period is attained.
8. Unless accelerated pursuant to paragraph 10, at each anniversary date the balance due hereunder shall be reduced by ten percentum (10%) of the original amount of the deferred payment loan.
9. During the term of this mortgage 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 mortgage, then the unpaid and remaining balance plus (3%) three percent interest per annum shall become immediately due and payable upon demand by the LENDER and, PROVIDED FURTHER if the instance of default be the conversion of any or all of said unit to rental, commercial or industrial

use or to cooperative ownership, then the full initial amount of the deferred payment loan plus (3%) three percent interest per annum shall be due and payable without benefit to the BORROWER of the (10) ten percentum anniversary date reductions otherwise made by the LENDER.

10. The deferred payment loan evidenced by this mortgage may be assigned and/or assumed only by written agreement with Lake County Community Development Department at the time such action is to take place: 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.
  - A. Any sale of this property prior to (10) ten years after completion of this rehabilitation PROJECT will constitute a default by the BORROWER and will make remaining principal balance plus interest due in full.
11. Any subordination of this mortgage 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 mortgage remain enforceable and are adequately secured by the project.
12. For at period of (10) ten years, to assure and protect its rights in this mortgage and the PROJECT, the LENDER shall have right of access and inspection of the PROJECT and all owners' records at reasonable times and with reasonable notice to the BORROWER.
13. Any forbearance by the LENDER with respect to any of the terms and conditions of this mortgage in no way constitutes a waiver of any of the LENDER's rights or privileges granted hereunder.
14. Any notice of one party to the other shall be in writing to the parties as follows:

**The LENDER-**

The Lake County Community Development Department  
2293 North Main Street  
Crown Point, Indiana 46307

**The BORROWER-**

Ruth Duncan  
1104 Woodland Court  
Lowell, Indiana 46356

(Name and Address)

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.

15. The interpretation and application of the mortgage shall be in accordance with the laws and procedures of the State of Indiana as they may from time to time be amended.
16. 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 the assignment and collection of the rent and profits of the PROJECT.
17. Upon satisfactory completion of all terms and conditions of this mortgage by the BORROWER or upon payment of any and all balance due, the BORROWER shall be entitled to a release and satisfaction of this mortgage by the LENDER at the BORROWER's own cost.

This mortgage 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 mortgage, such loan being exclusively for the purpose of rehabilitating, preserving and enhancing the dwelling in the PROJECT in accordance with the rules and procedures of the Very Low Income Rehabilitation Program of the Lake County Community Development Department.

Date \_\_\_\_\_

Date \_\_\_\_\_

October 23, 1937

Date \_\_\_\_\_

October 23, 1937

Date \_\_\_\_\_

Ruth Duncan  
BORROWER(S) AND MAKER(S)

Kerry A. Williams  
LENDER'S DESIGNEE

STATE OF Indiana

COUNTY OF Lake

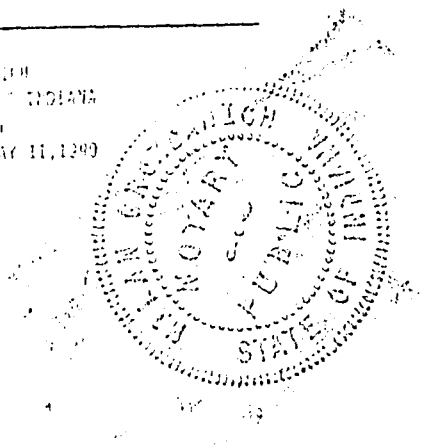
On the 23rd day of October, A.D., 1937, before me, Notary Public, personally appeared

and are to me known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that this was her voluntary act and deed.

William Proctor  
NOTARY PUBLIC IN AND FOR THE  
STATE OF Indiana  
COUNTY OF Lake

My Commission expires \_\_\_\_\_.

NOTARY PUBLIC STATE OF INDIANA  
BY COMMISSION EXP. MAY 11, 1940



This instrument is prepared by Kerry A. Williams