

6. The BORROWER agrees not convert the dwelling units in the PROJECT to condominium ownership or to any form of cooperative ownership for a period of ten (10) years 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 BORROWER agrees: to maintain a record of all tenants and rents for a period of ten (10) years.
9. The BORROWER agrees: to keep a record of affirmative marketing for a period of ninety (90) days after completion of PROJECT.
10. 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 May, 2000 * The anniversary of this mortgage shall be the 1st day of May in each year following the completion of activities financed by the deferred payment loan evidenced by this mortgage.
- *This date must be ten (10) years from a generously estimated construction completion date in order to assure that a full ten (10) year period is attained.
11. 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.
12. 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 three percent (3%) 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 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 plus three (3%) interest per annum shall be due and payable without benefit to the BORROWER of the ten (10) percentum anniversary date reductions otherwise made by the LENDER.
13. 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 ten (10) 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.

14. 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.
15. For a period of ten (10) years, to assure and protect its rights in this mortgage and the PROJECT, the LENDER shall have right to access and inspection of the PROJECT and all owners' records at reasonable times and with reasonable notice to the BORROWER.
16. 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.
17. Any notice of one party to the other shall be in writing to the parties as follows:

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The LENDER -

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

The BORROWER -

Donald K. & Betty A. Stash
1307 E. Elm Street
Griffith, IN 46319

STOP

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18. 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.
19. The interpretation and application of this mortgage shall be in accordance with the laws and procedures of the State of Indiana as they may from time to time be amended.
20. 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 rents and profits of the PROJECT.
21. 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 rental dwelling units in the PROJECT in accordance with the rules and procedures of the Rental Rehabilitation Program of the Lake County Community Development Department.

February 8, 1990
Date

Donald K. Stash

February 8, 1990
Date

Betty A. Stash

Date

BORROWER(S) and MAKER(S)

February 8, 1990
Date

Robert B. Stash
LENDER'S DESIGNEE

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STATE OF Indiana

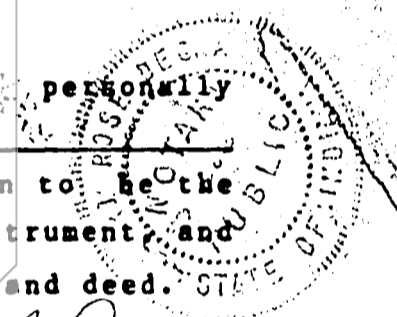
COUNTY OF Lake

On the 8th day of February, 1990, before me, personally appeared Donald K. Stash and Betty A. Stash

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

My Commission Expires May 11, 1994

Joseph R. Deegan
NOTARY PUBLIC



Prepared by Kerry A. Williams