

CITY OF GARY  
MAYOR'S OFFICE OF  
HOUSING CONSERVATION  
824 BROADWAY  
GARY, IN 46402  
(219) 883-3102

*Wm. J. Valenzuela*

RENTAL REHABILITATION PROGRAM

PROMISSORY NOTE

92037595

FOR VALUE RECEIVED, the undersigned (hereafter the BORROWER) promises to pay to the order of the City of Gary, MAYOR'S OFFICE OF HOUSING CONSERVATION (hereafter the LENDER) or its successors, the principal sum of Eight thousand five hundred dollars (\$ 8,500. ), payable at

MAYOR'S OFFICE OF HOUSING CONSERVATION  
City of Gary  
824 Broadway, 2nd Floor  
Gary, Indiana 46402

ROBERT J. CLARK  
RECORDER

JUN 11 10 30 AM '92

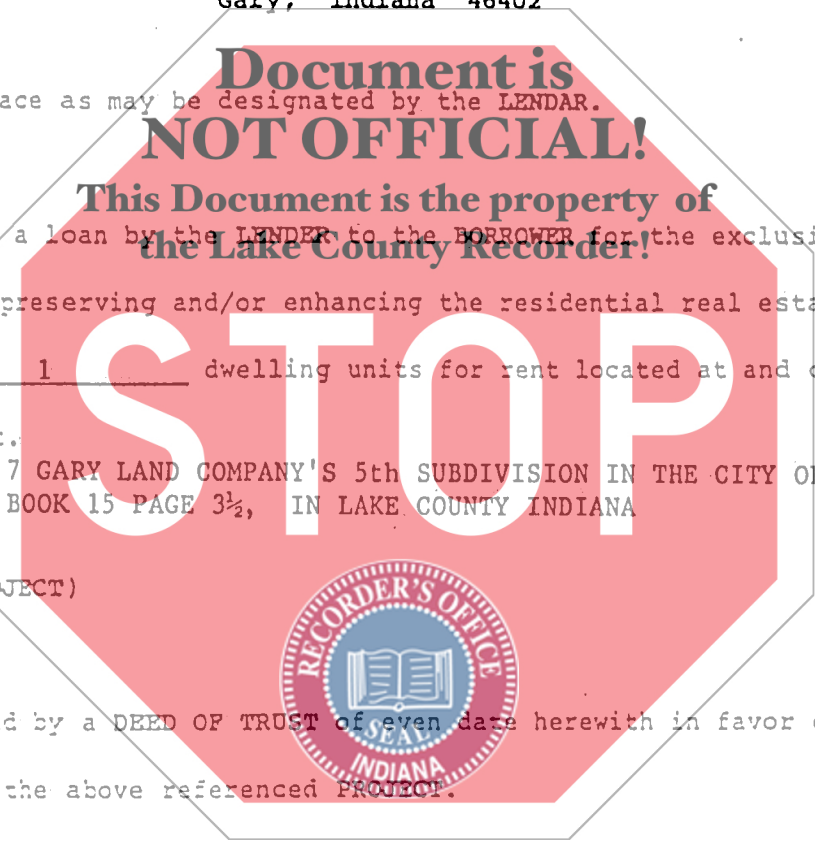
STATE OF INDIANA  
CLERK OF SUPERIOR COURT  
FILED FOR RECORD

or at such other place as may be designated by the LENDER.

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This Note evidences a loan by the LENDER to the BORROWER for the exclusive purpose of rehabilitating, preserving and/or enhancing the residential real estate containing (or to contain) 1 dwelling units for rent located at and commonly known as 527 Rutledge St. LOT 26, BLOCK 7 GARY LAND COMPANY'S 5th SUBDIVISION IN THE CITY OF GARY, AS SHOWN IN PLAT BOOK 15 PAGE 3 1/2, IN LAKE COUNTY INDIANA



(hereafter, the PROJECT)

This Note is secured by a DEED OF TRUST of even date herewith in favor of the LENDER, as beneficiary, on the above referenced PROJECT.

The term of this Note 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 loan evidenced by this Note. Unless prepaid, this Note shall be satisfied and be released by the LENDER on the 1st day of April, ~~199~~ 2002.

*1200  
GHC*

\*The anniversary of this Note shall be the 1st day of April in each year following the completion of activities financed by the loan evidenced by this Note.

At each anniversary date on which the LENDER determines that the BORROWER has satisfied the terms and conditions of this Note, the LENDER shall reduce the balance due hereunder by 10 percentum (10%) of the original amount of the Note.

During the term of this Note the BORROWER shall make no payments of principal or interest; PROVIDED HOWEVER, that if the BORROWER shall be found in default of any of the terms or conditions of this Note, then the unpaid and remaining balance shall become immediately due and payable; and, PROVIDED FURTHER that if the PROJECT be of ten (10) or more dwelling units, and BORROWER further agrees in the instance of default be the conversion of any or all of said units to condominium use or to cooperative use which construction is not affordable to lower income households for a period of ten (10) years from date of construction completion (as these terms "affordable" and "lower income households" may be defined by the LENDER), then the full initial amount of the deferred payment loan shall be due and payable without benefit to the BORROWER of the ten percentum anniversary date reductions otherwise made by the LENDER.

The BORROWER agrees to maintain the PROJECT as residential rental for a period of ten (10) years from date of construction completion.

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 for a period of ten (10) years from construction completion date.

The deferred payment loan evidenced by this Note 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, and PROVIDED, that

\*This date must be 10 years from a generously estimated construction completion date in order to assure that a full 10 year period is attained.

any successor(s) to or assignee(s) of the BORROWER shall grant for the benefit of the LENDER a DEED of TRUST for the PROJECT describing terms and conditions both like unto those entered by the BORROWER and acceptable to the LENDER, AND PROVIDED FURTHER that any subordination of this Note 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.

Any forbearance by the LENDER with respect to any of the terms and conditions of this Note in no way constitutes a waiver of any of the LENDER'S rights or privileges granted hereunder. Any written notice or payment of one party to the other shall be addressed to the parties as follows:

TO LENDER -

MAYOR'S OFFICE OF HOUSING CONSERVATION  
City of Gary  
824 Broadway, 2nd Floor  
Gary, Indiana 46402

THE BORROWER -

Henry Y. Johnson Jr.  
653 Lincoln St.  
Gary, Ind. 46402



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

The BORROWER reserves the right to prepay at any time at all any part of the remaining balance of this Note without the payment of penalties or premiums.

If suit is instituted by the City of Gary, Mayor's Office of Housing Conservation to recover on this Note, the BORROWER agrees to pay all costs of such collection, including reasonable attorney's fees and court costs.

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

In witness whereof and agreement herewith the BORROWER has executed the Promissory Note:

Henry Y. Johnson Jr.  
BORROWER DATE/SEAL  
April 10, 1992



BORROWER DATE/SEAL

STATE OF INDIANA  
COUNTY OF LAKE  
CITY OF GARY

§ 88:

The foregoing instrument was acknowledged before me this 10th day of April, 19 92, by Henry Y. Johnson Jr. and \_\_\_\_\_

MARCUS L. HUBBARD  
NOTARY PUBLIC STATE OF INDIANA  
LAKE COUNTY  
MY COMMISSION EXP. FEB. 6, 1996

Marcus L. Hubbard  
NOTARY PUBLIC  
Marcus L. Hubbard

My Commission expires: Feb. 6, 1996

THIS INSTRUMENT PREPARED BY: Lloyd B. Fisher, Attorney-At-Law, 504 Broadway, Gary, Ind.