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LOAN NO. 21-108560-4

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

LT1C66657 **99082031** SECOND MORTGAGE AGREEMENT **99 OCT -5 PM 1:44**

MORRIS W. CARTER
RECORDER
LAW AND TITLE INS. CORP.
ONE PROFESSIONAL CENTER
SUITE 215
CROWN POINT, IN 46307

WHEREAS,

Wendy Wilkinson
Is the purchase of or owner providing rehabilitation of a home on certain real property _____
3604 St. Joseph Place, Hobart, IN in Lake County,
described as:

Lot 21A, Thomas Subdivision, being a Resubdivision of Lots 20, 21,
and 22, Stimson's Subdivision, Unit B, as shown in Plat Book 46,
page 14, in the Office of the Recorder of Lake County, Indiana.

and;

WHEREAS, *HFS BANK, FSB* of Hobart, Indiana received a direct pay subsidy in the amount
\$ 5,000.00 (Subsidy) under the Home Savings Program (HSP) of the Federal
Home Loan Bank of Indianapolis (FHLBI), subject to the Federal Housing Finance Board, FHFB,
regulations 12 C.F.R. 960.1 et seq. For the purposes of providing funding for Downpayment and
Closing Costs assistance or Owner Occupied rehabilitation of the above mentioned home, and;

WHEREAS, for a period of 5 years (retention period) after the date of the within Agreement the
HSP requires (1) that all purchasers of the Premises qualify as "low and moderate-income
households" or "very low-income households" as defined in 12 C.F.R. 960.1 and (2) that the use
of said Premises otherwise shall remain consistent with the purposes of the HSP, and;

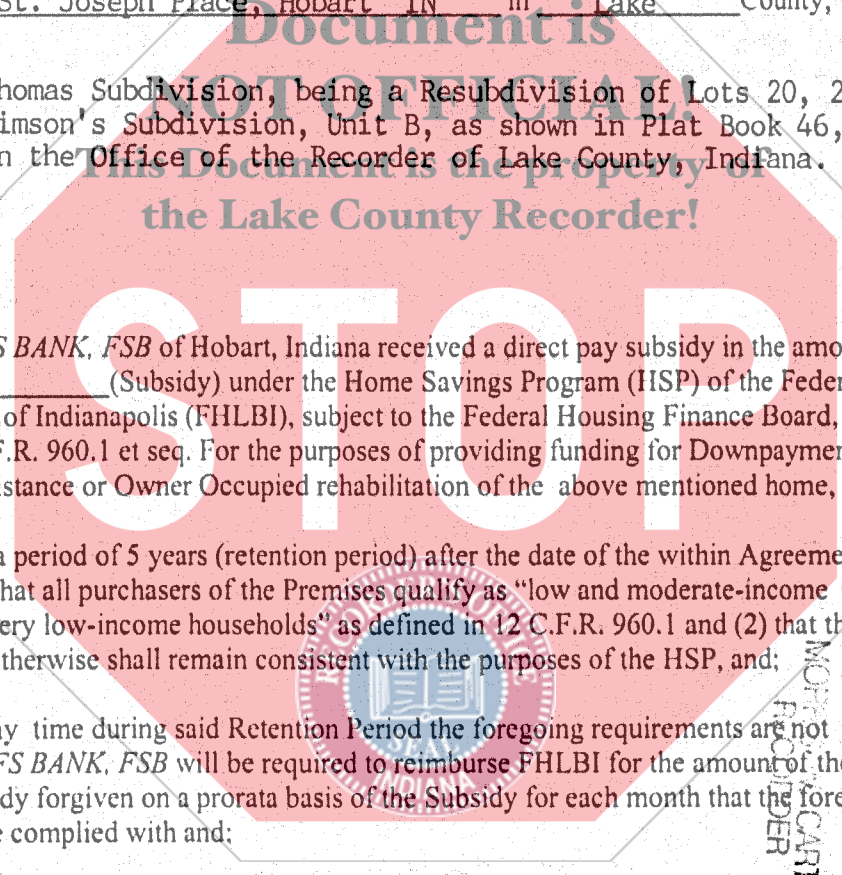
WHEREAS, if any time during said Retention Period the foregoing requirements are not
complied with, *HFS BANK, FSB* will be required to reimburse FHLBI for the amount of the
Subsidy less subsidy forgiven on a prorata basis of the Subsidy for each month that the foregoing
requirements were complied with and;

WHEREAS, Wendy Wilkinson Purchasers,
3604 St. Joseph Place, Hobart, IN 46342 Address

(Collectively the "Undersigned") are purchasers of the above described Premises;

NOW THEREFORE in consideration of the Premises and as an inducement to *HFS BANK, FSB*
disbursing the Subsidy to Purchaser, come the Undersigned and represents and warrants as
follows:

1. That the Undersigned qualifies as a "low-and moderate-income household" or
"very low-income household" as defined in 12 C.F.R. 960.1.



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2. That if within 5 years of the date of the within Agreement (1) the Undersigned sells the Premises or (2) the Undersigned otherwise uses the Premises in a manner inconsistent with the purposes of the HSP, the Undersigned shall immediately reimburse *HFS BANK, FSB*, from sale proceeds if applicable, for the amount of the Subsidy then owing to the FHLBI as based on the prorata subsidy forgiveness for months that the household was in compliance.
3. That the covenants of the within Agreement shall bind the successors and assigns of the Undersigned.
4. That in the event that any provision of this is in conflict with applicable law, such conflict shall not conflict with other provisions of this Agreement. To these end provisions of this Agreement are declared to be severable.

Signed this 29th day of September, 1999

Witnesses:


Purchasers:

Wendy Wilkinson
Wendy Wilkinson

STATE OF INDIANA, Lake County ss:

On this 29th day of September, 1999, before me, the undersigned, a Notary Public in and for said County, personally appeared Wendy Wilkinson, and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal.


Michaelene I. Fazekas
MICHAELENE I. FAZEKAS
NOTARY PUBLIC STATE OF INDIANA
Resident of Lake County
My Commission Expires 7-24-01

My commission expires:

This instrument prepared by: Charlotte Neidow