

STATE OF INDIANA
LAKE COUNTY
CLERK OF RECORDS

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MORRIS W. CARTER
RECORDER

DATE: July 19, 1999

**REHABILITATION PROGRAM DEFERRED LOAN
PROMISSORY NOTE**

FOR VALUE RECEIVED, the undersigned (hereafter the BORROWER), promises to pay to the order of the Lake County Community Economic Development Department (hereafter the LENDER) or its successors, the principal sum of **Twenty Four Thousand Nine Hundred and Eighty Nine and 00/100 Dollars, (\$24,989.00)**, payable at:

Lake County Community Economic
Development Department

2293 North Main Street
Crown Point, IN 46307

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

This Note evidences a loan by the LENDER to the BORROWER for the exclusive purpose of rehabilitating, preserving, or enhancing the residential real estate containing one dwelling unit occupied by the owner, located at:

411 Cottage Grove Avenue, Lowell, Indiana 46356,

and legally described as:

The East 55 feet of the NW ¼ of Lot 3 and the West 7.33 feet of the North 5 feet of the East 55 feet of the SW ¼ of Lot 3, in Moore's Addition to the Town of Lowell, as per plat thereof, recorded in Miscellaneous Record "A", page 507, in the Office of the Recorder of Lake County, Indiana (hereafter, the PROJECT)

This Note is secured by a Property Rehabilitation Mortgage 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.

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 instance of default be the conversion of any part or all of said unit to commercial, industrial, or rental use, or cooperative ownership, then the full initial amount of the deferred payment loan shall be due and payable. PROVIDED FURTHER, that if there be any default in the payment of principal or interest due on any Note or Mortgage or any encumbrance against the real estate herein, then the unpaid and remaining balance plus interest of three percent (3%) annum shall become immediately due and payable.

13.00
E.P.
Hold
ACCEPTED

The deferred payment loan evidenced by this Note may be assigned and/or assumed only with approval of and by written agreement with the Lake County Community Economic 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. AND PROVIDED, that any assignee or successor of the BORROWER shall grant for the benefit of the LENDER, a Property Rehabilitation Mortgage 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 assignee or successor.

- A. Any sale of this property after completion of this rehabilitation project will constitute a default by the BORROWER, and will make the remaining principal balance due in full.
- B. Any vacation of the property by the BORROWER shall constitute default and the principal balance shall become due and payable immediately.
- C. Evidence of failure to properly maintain the home shall constitute default and the principal balance shall become due and payable immediately.
- D. Failure to insure the home for eighty percent (80%) co-insurance to value shall constitute default and the principal balance shall become due and payable immediately.
- E. Non-payment of taxes when due shall constitute default and the principal balance shall become due and payable immediately.

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:

The LENDER:

LAKE COUNTY COMMUNITY ECONOMIC
DEVELOPMENT DEPARTMENT
2293 North Main Street
Crown Point, IN 46307

The BORROWER:

KIMBER NOVAK
411 Cottage Grove Avenue
Lowell, Indiana 46356

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 assignee or successor of the BORROWER. In the event of the death of the BORROWER the balance owing on this Note shall become due and payable immediately upon settlement of the Estate unless a written agreement is entered into by the LENDER and the assignee or successor of the BORROWER to allow the loan to continue.

The BORROWER reserves the right to prepay at any time all, or any part of the remaining balance of this Note without the payment of penalties or premiums. Payment at any time shall consist of principal balance only and no interest shall be charged on this Note.

If suit is instituted by the Lake County Community Economic Development Department on this Note, the BORROWER agrees to pay all costs of such collections, 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 balances due, the BORROWER shall be entitled to a release and satisfaction of this Note by the LENDER at the BORROWER'S own cost.

The Executive Director of the Lake County Community Economic Development Department shall have the right to waive any conditions of this note so long as the waiver does not infringe on the rights of the BORROWER under this instrument.

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



July 19, 1999
Date

Kimber Novak
Borrower

Date

Borrower

July 19, 1999
Date

James [unclear] Executive Director
Lender's Designee

STATE OF INDIANA COUNTY OF LAKE SS:

On the 19th day of July, 1999, before me, a Notary Public, personally appeared KIMBER NOVAK and are known to be the person(s) named in and who executed the foregoing instrument, and acknowledged that this was her voluntary act and deed.

My Commission Expires: 8/17/01

Elizabeth Marie Foster
Notary Public

County of Residence: Lake