

Tior Hobart 920000633

LOAN NO. 28-109720-3

2000-021684
2000-021684

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

SECOND MORTGAGE AGREEMENT

NOTARIAL POWER
RECORDED

WHEREAS, Mary L. Peters

Is the purchaser of or owner providing rehabilitation of a home on certain real property _____
3875 Evergreen Street, Hobart, IN 46342 in Lake County,
described as:

Lot 21 and the North 1/2 of Lot 20 in Block 7 in Ridgewood Addition to Gary,
as per plat thereof, recorded in Plat Book 8 page 14, in the office of the
Recorder of Lake County, Indiana.

**This Document is the property of
the Lake County Recorder!**

and;

WHEREAS, HFS BANK, FSB of Hobart, Indiana received a direct pay subsidy in the amount of
\$ 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, Mary L. Peters Purchasers,
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 24th day of March, 2000

Witnesses:

Purchasers:

Mary J. Peters
 MARY J. PETERS

STATE OF INDIANA, LAKE County ss:

On this 24th day of March, 2000, before me, the undersigned, a Notary Public in and for said County, personally appeared MARY J. PETERS, and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal.

Jacalyn L. Smith
 JACALYN L. SMITH

My commision expires:

This instrument prepared by: Charlotte Neidow

