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MORRIS W. CARTER  
RECORDER

DATE: August 21, 2002

**HOMEBUYER ASSISTANCE  
MORTGAGE**

The undersigned property owner(s) (hereafter, the BORROWER), in consideration of the receipt of Five Thousand and 00/100 Dollars, (\$5,000.00) as a Forgivable Loan from the Lake County Community Economic Development Department (hereafter, the LENDER) for principal reduction assistance for the purchase of the property containing one dwelling unit occupied by the owner, which is commonly known as **212 Sycamore, Munster, Indiana 46321** and legally described as:, **Lot 3 in block 2 in Knickerbocker Manor 9<sup>th</sup> Addition to Munster, as per plat thereof, recorded August 7, 1964 in Plat Book 36 Page 67, in the Office of the Recorder of Lake County, Indiana.**

legal or equitable title to which is held by the BORROWER, hereby mortgages and warrants to the Lake County Community Economic Development Department the above described property to secure the repayment of the above stated loan for which the mortgage is granted and secured by a Promissory Note dated August 21, 2002 subject to the following terms and conditions:

1. Such mortgage shall be in full amount of the loan given by the LENDER to the BORROWER.
2. The BORROWER agrees that any default on any superior lien shall be a default on this mortgage and shall render the balance due and payable including three percent (3%) interest per annum due hereunder at once.
3. The BORROWER agrees to keep the dwelling unit in good condition and repair, fully habitable, and not to remove or demolish any part of the dwelling unit thereon.
4. The BORROWER agrees to provide, maintain and deliver to the LENDER evidence of fire and extended coverage insurance satisfactory to the LENDER in the order and amount sufficient to permit repair or replacement pursuant to Paragraph 3 above of the balance outstanding of this mortgage.
5. The BORROWER agrees to pay all taxes, assessments, utilities, and other expenses of the PROPERTY when due, and without delinquency, and shall not permit any liens to be imposed on the PROPERTY by reason of any delinquency.
6. The BORROWER agrees not to convert the dwelling unit to rental, commercial, or industrial use, or any form of cooperative ownership for the period of five (5) years.
7. 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 five (5) years after the date of this mortgage. Unless prepaid or foreclosed, this mortgage shall be satisfied and be released by the LENDER on the 1<sup>st</sup> day of September, 2007.
8. Unless accelerated pursuant to Paragraph 10, at each anniversary date the balance due hereunder shall be reduced by twenty percent (20%) per annum of the original amount of the loan.
9. 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 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 said unit to rental, commercial, or industrial use, or to cooperative ownership, then the full initial amount of the loan shall be due and payable without benefit to the BORROWER of the twenty percent (20%) anniversary date reductions otherwise made by the LENDER.
10. Any sale of this property prior to five (5) years from the date of this mortgage will constitute a default by the BORROWER and will make the remaining principal balance plus interest due in full.
11. In the event of default and non-payment 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 PROPERTY and/or the assignment and collection of the rent and profits of the PROPERTY.
12. The loan evidenced by this mortgage may be assigned and/or assumed only 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.

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Held  
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