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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2004 099659

2004 NOV 24 AM 10:28

MORRIS W. CARTER
RECORDER

Rel to
THE GUARANTEE TITLE & TRUST COMPANY
7895 BROADWAY • SUITE 4
MERRILLVILLE, IN 46410

04-0381L61

**CITY OF EAST CHICAGO
DOWNPAYMENT ASSISTANTANCE PROGRAM
RESIDENTIAL MORTGAGE NOTE**

Date: 11-19-04 Due Date: Dec. 2007

Loan Amount: \$ 5,000.00 Loan Number: _____

BORROWER(S) TORRENCE A. WARNER residing at
5609 Reading Ave, East Chicago, IN
46312, has received from the City of East Chicago, with its principal place of business
at 4525 Indianapolis Boulevard, East Chicago, Indiana, 46312, a loan of
Five thousand Dollars and 00/100 Dollars (\$ 5000.00) on
11-19-04.

Legal Description Attached

1. Borrower will repay the principal balance of this Residential Mortgage Note (the "Note") as provided under the terms of this Note, except for any amounts of the principal balance that are forgiven as provided below. In the event Borrower is required to pay all or any portion of the principal balance of this Note, Borrower is required to repay to Lender interest on such outstanding principal balance to be repaid by Borrower at the rate of Eight percent (8%) per annum, such interest to accrue from and after the date such principal balance is due.
2. If any payments of principal or interest are due under this Note, such payment will be made to Lender at its above address, or to any other person who holds this Note at any address specified in any written notice to Borrower.
3. Payment will be credited first to interest, if any, then to payments of principal then due, if any.
4. Borrower may pay all or part of the principal amount of this loan before it is due. This is called a "prepayment". There will be no penalty for prepayments.
5. If the subject property is transferred by sale, contract, lease or other transfer of ownership or possession while any portion of the principal balance of this Note remains outstanding, the entire principal balance of the Note then outstanding shall be immediately due and payable.

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LOT 28, EXCEPT THE NORTH 21 FEET THEREOF, AND THE NORTH 28 FEET OF LOT 27 IN BLOCK 2 IN ROXANA PARK 4TH ADDITION TO EAST CHICAGO, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 29, PAGE 47, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

Commonly known as: 5609 READING AVENUE, EAST CHICAGO, IN 46312



6. Borrower covenants and agrees, at all times while any portion of the principal balance remains outstanding that: (a) the property shall remain the principal residence of Borrower, (b) Borrower shall not refinance any mortgages in existence on the date of this Note and shall not encumber the Property with any other mortgages or other liens without the prior written consent of Lender, and (c) the proceeds of this Note shall be used solely for a down payment on the Property.
7. If Borrower does not pay any payment Borrower is required to make under this Note, or if Borrower fails to keep any other promises, conditions, covenants and agreements in this Note or in the Mortgage (hereinafter defined) within fifteen (15) days after written notice required below, Lender may require immediate payment, in full, of the remaining unpaid principal balance. This failure to pay by Borrower, or the failure to keep a promise, condition, covenant or agreement, is called a "default".
8. Lender will send Borrower a written notice that such payment is past due or that Borrower has committed any other default. If lender does not require Borrower to pay the remaining unpaid principal balance, in full, immediately upon a default, Lender does not waive the right to do so later.
9. If payment or all or any portion of the principal balance of the Note is due and payable, interest will continue to be charged at the above rate until the entire principal balance then outstanding is paid in full.
10. This Note may not be changed unless both Lender and Borrower agree to a change in writing.
11. Borrower waives "demand", "protest", "notice of protest", "presentment", "dishonor" and "Notice of dishonor".
12. If Lender requires Borrower to pay all or any portion of the principal balance of the Note, in full, because of a default, Lender may charge Borrower for all of its expenses in collecting the amount due, including reasonable attorneys' fees.
13. Borrower will give a mortgage on the Property ("Mortgage"), and the terms of that Mortgage are included in this Note.
14. Notices will be sent to Borrower at the address of the property.
15. If more than one person signs this Note, Lender may collect the amounts due from either or both persons.
16. If Borrower is not in breach of the conditions under Sections 6 and 7, above, the principal balance of the Note will be forgiven, beginning with the anniversary date of the Note in the first year, in accordance with the following schedule:

Term/Date		Amount of Forgiveness	
1 st year/	1216.56 pd. Yearly	20%	2003
2 nd year/	1216.56 pd. Yearly	40%	2004
3 rd year/	1216.56 pd. Yearly	60%	2005
4 th year/	1216.56 pd. Yearly	80%	2006
5 th year/	1350.32 final	100%	2007

17. This Note shall be governed by and constructed in accordance with the laws of the State of Indiana.

I/We acknowledge that I/We have read the above and understand the terms and conditions regarding the City of East Chicago Down Payment Assistance Program. I/We acknowledge that it is understood the actual recapture of my/our loan will be 5 years during which Borrow(s) must reside in the property as his/her/their principal residence.

IN WITNESS WHEREOF, Marker has executed and delivered this Note this 19th day of Nov, 2004.

Tolerance A. Warner
(Signature)

Tolerance A. Warner (Signature)

(Signature)

(Signature)

STATE OF IN
COUNTY OF Lake)SS:

Before me, a Notary Public in and for County and State, personally appeared Tolerance A. Warner who acknowledge execution of the foregoing mortgage.

Witness my hand and Notary Seal this 19th day of Nov, 2004

Janice L. Maddox
(Signature) JANICE L. MADDOX
NOTARY PUBLIC, Lake County, Indiana
My Commission Expires January 26, 2008
Resident of Lake County, Indiana

(Printed Name) Notary Public

My Commission Expires:

1-26-08

County of Residence:

Lake