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"THIS INSTRUMENT SECURES A ZERO (0) INTEREST RATE OR OTHER SUBSIDIZED LOW RATE LOAN SUBJECT TO IC 24-9-3-2"

DATE: September 10, 2008

HOME BUYER ASSISTANCE MORTGAGE

The undersigned property owner(s) (hereafter, the BORROWER), in consideration of the receipt of:

Three-thousand-Five-Hundred & No/100 dollars \$ (\$3,500.00)

as a Forgivable Loan from **United Neighborhoods, Inc. - UNI** (hereafter, the LENDER) for the financial assistance for the purchase of the property containing one dwelling unit occupied by the owner, which is commonly known as: 6737 Ridgeland Avenue, Hammond, Indiana 46324

-Described as: The South 30 Feet of Lot 26 and the North 20 Feet of Lot 27 in Forsyth Highlands 3rd Addition, in the City of Hammond, as per plat thereof, recorded in Plat Book 27, page 58, in the Office of the Recorder of Lake County Indiana

Christopher M. Moore and Karen D. Velez, BORROWER hereby mortgages and warrants to **United Neighborhoods, Inc. - UNI** 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 September 10, 2008 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 (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 and 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
8. 10th Day September 2013.
9. UNI, \$ 3,500.00, Home Buyers Assistance program (HBA) will be a subordinated lien to the Homebuyers 1st mortgage.
10. 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.
11. During the term of this mortgage, 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

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LAKE COUNTY, INDIANA

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- of the twenty percent (20%) anniversary date reductions otherwise made by the LENDER.
12. 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.
 13. 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.
 14. The loan evidenced by this mortgage may be assigned and/or assumed only by written agreement with United Neighborhoods, Inc. 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.
 15. For a period of five (5) years, to assure and protect its rights in this mortgage and the PROPERTY, the LENDER shall have right of access and inspection of the PROPERTY at reasonable times and with reasonable notice to the BORROWER.
 16. Any forbearance by the LENDER with respect to any of the terms and conditions of this mortgage in no way constitutes a waiver of any of the LENDER'S rights or privileges granted hereunder.
 17. Any notice of one party to the other shall be in writing to the parties as follows:

The LENDER:

UNITED NEIGHBORHOODS, INC - UNI
219 E Russell Street Suite 308
Hammond, Indiana 46320

This Document is the property of
the Lake County Recorder!
The BORROWER:
Christopher M. Moore and Karen D. Velez

The BORROWER, or his executor, in the event of death of the BORROWER, shall notify the LENDER of any change in the BORROWER'S name and address, or of any assignee or successor of the BORROWER.

18. The interpretation and application of the mortgage shall be in accordance with the laws and procedures of the State of Indiana as they may from time to time be amended.
19. Upon satisfactory completion of all terms and conditions of this mortgage by the BORROWER, or upon payment of any and all balance due, the BORROWER shall be entitled to a release and satisfaction of this mortgage by the LENDER at the BORROWER'S own cost.

This mortgage is expressly created and imposed upon the above described PROPERTY for the purpose of assuring the compliance of the BORROWER with the terms and conditions incident to the loan evidenced by this mortgage such loan being exclusively for the purpose of financial assistance in accordance with the guidelines and procedures of the Homebuyer Assistance Program of **UNITED NEIGHBORHOODS, INC. - UNI**

9/10/08

 Date

Christopher M. Moore

 BORROWER

9/10/08

 Date

Karen D. Velez

 BORROWER
 Karen D. Velez

 Date

Carlotta Blake-King

 LENDER'S DESIGNEE
 Carlotta Blake-King, Executive Director UNI

STATE OF INDIANA

SS:

COUNTY OF LAKE

On the 10 day of SEPTEMBER, 2008 before me a Notary

Public, personally appeared are to me known to be the person(s)

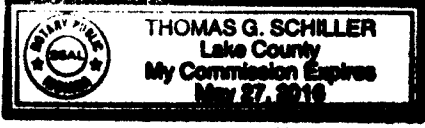
named in and who executed the foregoing instrument, and acknowledged

that this was their voluntary act and deed.

My Commission Expires: _____



**NOTARY PUBLIC AND FOR
THE STATE OF INDIANA, COUNTY OF LAKE**



Prepared by Carlotta Blake-King

"I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law." Chris Burk

