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KAREN FREEMAN-WILSON
Mayor

CITY OF GARY

DEPARTMENT OF COMMUNITY DEVELOPMENT
839 Broadway, Suite 302N

Arlene D. Colvin
Director

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
GARY, IN 46402
PHONE FAX: (219) 881-5085

Nikole Rumph
Deputy Director

2014 048148

**SOFT THIRD MORTGAGE
NEIGHBORHOOD STABILIZATION PROGRAM**

PROPERTY ADDRESS: **4569 LINCOLN STREET, GARY, IN 46408**

MORTGAGE AMOUNT: **TWO THOUSAND EIGHT HUNDRED DOLLARS and No/Cents (\$2,800.00)**

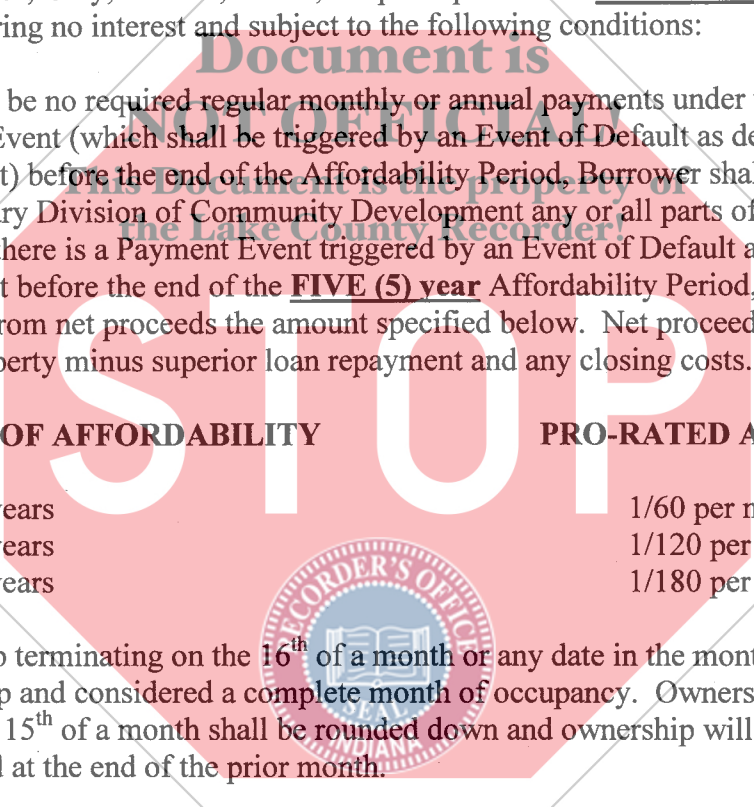
FOR VALUE RECEIVED, the undersigned, **NIKIA U. LUCAS, Single BORROWER(s)**, promises to pay to the **CITY OF GARY, INDIANA DIVISION OF COMMUNITY DEVELOPMENT**, a governmental entity organized and existing under the laws of the State of Indiana, whose address is 839 Broadway, Suite 302 North, Gary, Indiana, 46402, the principal sum of **Two Thousand Eight Hundred Dollars (\$2,800.00)**, bearing no interest and subject to the following conditions:

(A) There will be no required regular monthly or annual payments under this Note. If there is no Payment Event (which shall be triggered by an Event of Default as defined in the Mortgage Agreement) before the end of the Affordability Period, Borrower shall be obligated to pay City of Gary Division of Community Development any or all parts of the repayment. If, however, there is a Payment Event triggered by an Event of Default as defined in the Mortgage Agreement before the end of the **FIVE (5) year** Affordability Period, BORROWER shall pay Division from net proceeds the amount specified below. Net proceeds shall mean the sales price of the property minus superior loan repayment and any closing costs.

(B) PERIOD OF AFFORDABILITY	PRO-RATED AMOUNT
5 years	1/60 per month
10 years	1/120 per month
15 years	1/180 per month

Ownership terminating on the 16th of a month or any date in the month thereafter shall be rounded up and considered a complete month of occupancy. Ownership terminating on or before the 15th of a month shall be rounded down and ownership will be considered to have terminated at the end of the prior month.

(C) If the net proceeds are not sufficient to recapture the full or prorated NSP investment, the DIVISION shall retain the totality of all proceeds. Any required repayment shall be made to the Division not later than the 30th day following the sale, transfer, mortgaging or other conveyance or following the date upon which the structure ceases to be the Borrower's principal place of residence, or



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- (D) after the DIVISION receives written notice that the BORROWER is in default of any other lien then existing against the property. If the DIVISION thereafter receives notice that the default has been cured, then the BORROWER shall not be required to repay the NOTE at that time.
- (E) Time is of the essence of this NOTE. This Note shall be construed and enforced in accordance with the Indiana law. If there is more than one person signing this NOTE, each person shall be jointly and severally liable with all persons signing.

Any required repayment of principal shall be made in full to the DIVISION not later that the 30th day following the sale, transfer or other conveyance, or later as the DIVISION, in its sole discretion, may designate.

Any payments required under the NOTE shall be payable at the offices of the City of Gary Community Development Division, 839 Broadway, Suite 302 North, Gary, Indiana, 46402 or at any address designated in writing by an Authorized Officer of the DIVISION or any holder of this NOTE.

Presentment, notice of dishonor and protest are hereby waived by the BORROWER. Unless prohibited by law, the BORROWER agrees to pay all costs of collections, including reasonable attorney fees and legal expenses, incurred by any holder hereof in the event this NOTE is not duly paid according to its terms.

This NOTE is described by and secured by a Mortgage given to the BORROWER from Peoples Bank dated the 11th day of July, 2014.

Signed this 11th day of July, 2014.

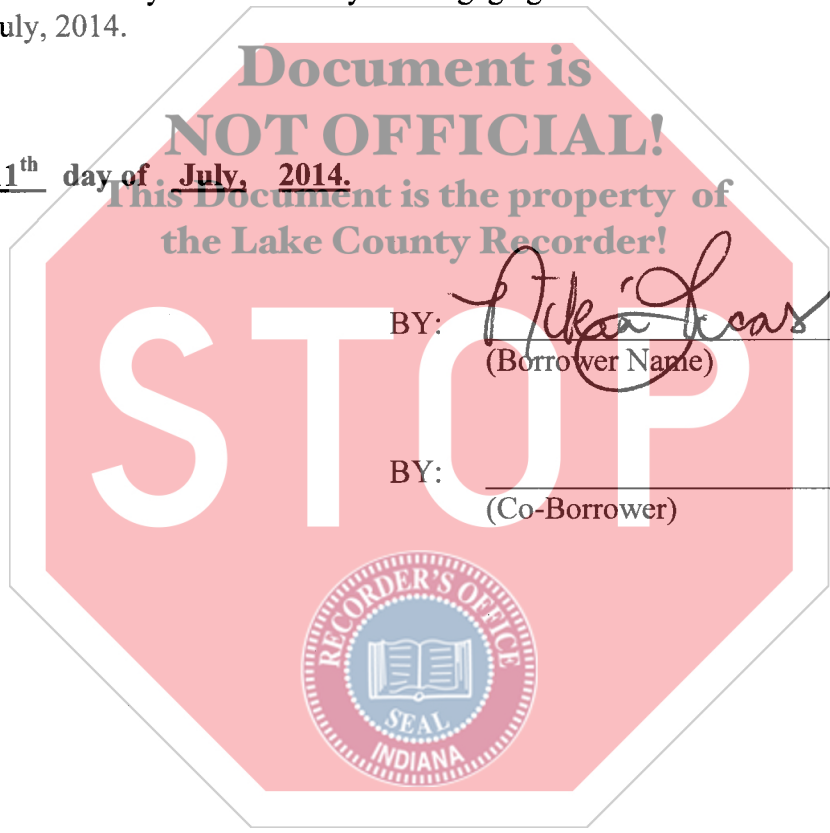


EXHIBIT A

LEGAL DESCRIPTION

**Commonly Known As: 4569 Lincoln Street, Gary, IN 46408
L.B. SNOWDEN'S OAK GROVE ADDITION, All LOT 17, BL 1**

Tax ID #: 45-08-33-103-012.000-004 (Old Property #: 25-47-0048-0017)

CENSUS TRACT: 0125.00

MAP REFERENCE: 036-001

