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MICHAEL B. BROWN  
RECORDER

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**NEXT HOME PROGRAM  
INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY  
SECOND REAL ESTATE MORTGAGE**

**THIS INSTRUMENT ("Mortgage") WITNESSES:** That the undersigned **JONATHAN J. CIAVIRELLI**  
a single man  
jointly and severally, ("Mortgagors") of the State of Indiana, hereby **MORTGAGE** and **WARRANT** to **INDIANA  
HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY ("Mortgagee")**, the real estate and improvements  
located at  
**20 LUKES CT HOBART, IN 46342**



("Real Estate") located in LAKE County, State of Indiana, more particularly described  
as:

The West 40 feet by parallel lines of Lot Number 16 and an undivided 1/20th interest in  
Outlot A in Luke's Addition, to the City of Hobart, as per plat thereof, recorded in Plat Book  
82, page 30 in the Office of the Recorder of Lake County, Indiana.

together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures and improvements now or  
hereafter belonging, appertaining, attached to, or used in connection with, the Real Estate, and all the rents, issues, income  
and profits thereof (collectively, the "Mortgaged Property").

This Mortgage is given to secure performance of the provisions hereof and to secure payment of a loan in the amount of  
Four Thousand Six Hundred and Thirty-six Dollars and 00/100 Dollars (4336.00)  
(the "Loan") evidenced by a certain promissory note (the "Note") of even date herewith, executed and delivered by  
Mortgagors.

Mortgagors jointly and severally, covenant with Mortgagee as follows:

- 1. Payment of Sums Due.** Mortgagors shall pay when due all indebtedness secured by this Mortgage, upon the first to  
occur of the following: (1) The date that is two (2) years after the date of the Note, October 23, 2017 (the  
"End of the Affordability Period"); (2) if Mortgagors do not continue to utilize the Mortgaged Property as its  
primary address throughout the Affordability Period (as defined in Section 5 of the Note); (3) if Mortgagors sell or  
refinance the Mortgaged Property during the Affordability Period; (4) if the Mortgagors violate any other terms and  
conditions contained in the Note, this Mortgage, or any other agreement made between IHEDA and the Mortgagors  
related to the Loan; or (5) if Mortgagors are in default under the terms of its first mortgage on the Mortgaged Property  
and foreclosure proceedings have been initiated during the Affordability Period; (6) if it becomes evident to IHEDA  
that any representation or warranty made by the Mortgagors was false, misleading, or fraudulent (the occurrence of 2,

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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**

3, 4, 5, or 6 "Maturity"). Mortgagors agree to pay the full unpaid principal of the Loan to IHCD on or before Maturity. If Maturity does not occur by the End of the Affordability Period, the Loan will be forgiven. The restrictions contained herein will automatically terminate if title to the Mortgage Property is transferred by foreclosure or deed-in-lieu of foreclosure or if the mortgage securing the senior debt is assigned back to the U.S. Department of Housing and Urban Development or its successor.

2. **Payment of Sums Due.** Mortgagors shall pay when due all indebtedness secured by this Mortgage, on the dates and in the amount provided in the Note or in this Mortgage, when the payment(s) thereof become due, all without relief from valuation and appraisal laws and with attorneys' fees.
3. **No Liens.** Mortgagors shall not permit any lien of mechanics or materialmen to attach to and remain on the Mortgaged Property or any part thereof for more than forty-five (45) days after receiving notice thereof from Mortgagee.
4. **Repair of Mortgaged Premises; Insurance.** Mortgagors shall keep the Mortgaged Property in good repair and shall not commit waste thereon. Mortgagors shall procure and maintain in effect at all times adequate insurance in insurance companies acceptable to Mortgagee against loss, damage to, or destruction of the Mortgaged Property because of fire, windstorm or other such hazards in such amounts as Mortgagee may reasonably require from time to time, and all such insurance policies shall contain property clauses making all proceeds of such policies payable to Mortgagee and Mortgagors as their respective interests may appear. Upon request, all such policies of insurance shall be delivered to and retained by the Mortgagee until indebtedness secured hereby is fully paid.
5. **Taxes and Assessments.** Mortgagors shall pay all taxes or assessments levied or assessed against the Mortgaged Property, or any part thereof, as and when the same become due and before penalties accrue.
6. **Advancement to Protect Security.** Mortgagee may, at its option, advance and pay all sums necessary to protect and preserve the security intended to be given by this Mortgage. All sums so advanced and paid by Mortgagee shall become part of the indebtedness secured hereby and shall bear interest from the date or dates of payment at the rate of eighteen percent (18%) per annum. Such sums may include, but are not limited to, insurance premiums, taxes, assessments and liens which may be or become prior and senior to this mortgage as a lien on the Mortgaged property, or any part thereof, and all costs, expenses and attorneys' fees incurred by Mortgagee in respect of any and all legal or equitable proceedings which relate to this Mortgage or to the Mortgaged Property.
7. **Default by Mortgagor; Remedies of Mortgagee.** Upon default by Mortgagor in any payment provided for herein or in the Note, or in the performance of any covenants or agreement of Mortgagor hereunder or in the Note, including any other mortgage applicable to the Mortgaged Property, or if Mortgagors shall abandon the Mortgaged Property, then and in any such event, the entire indebtedness secured hereby shall become immediately due and payable at the option of the Mortgagee, without notice, and this Mortgage may be foreclosed accordingly. Upon such foreclosure, Mortgagee may obtain appropriate title evidence to the Mortgaged Property, and may add the cost thereof to the principal balance due.
8. **Non-Waiver; Remedies Cumulative.** No delay by Mortgagee in the exercise of any of its rights hereunder shall preclude the exercise thereof so long as Mortgagor is in default hereunder, and no failure of Mortgagee to exercise any of its rights hereunder shall preclude the exercise thereof in the event of a subsequent default by Mortgagor hereunder. Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.
9. **Extensions; Reductions; Renewals; Continued Liability of Mortgagor.** Mortgagee may extend the time for payment of the indebtedness, or reduce the payments thereon, or accept a renewal note or notes thereafter, without consent of any junior lien holder, and without the consent of Mortgagors. No such extension, reduction or renewal shall affect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of Mortgagors to Mortgagee.
10. **Subordination.** This Mortgage shall be subordinate only to Mortgagors' purchase money mortgage of even date herewith, the proceeds of which being utilized only to purchase the Mortgaged Property.
11. **General Agreement of Parties.** All rights and obligations hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of the parties to this Mortgage. When applicable, use of the singular form of any word also shall mean or apply to the plural and masculine form shall mean and apply to the feminine or the neuter and plural shall apply to the singular form. The titles of the several paragraphs of this Mortgage are for convenience only and do not define, limit or construe the contents of such paragraphs.

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

*Pg. 2 of 3 - 2<sup>nd</sup> Lien Mortgage*

