MANCHESTER HOME OWNERSHIP ASSISTANCE PROGRAM
FORGIVABLE LOAN AGREEMENT

WHEREAS, the City of Manchester has established the MANCHESTER HOME OWNERSHIP ASSISTANCE PROGRAM to assist LMI buyers of single family residences in housing rehabilitation, and

WHEREAS, the undersigned, (hereinafter referred to as the OWNER) qualifies under the MANCHESTER HOME OWNERSHIP ASSISTANCE PROGRAM for a total loan of
Twenty seven thousand two hundred ninety three and 00/100--dollars
$27,293.00 for housing rehabilitation, and

WHEREAS, a requirement of the MANCHESTER HOME OWNERSHIP ASSISTANCE PROGRAM is for the repayment of the loan to be in the amount shown in the Promissory Note whenever the property is sold or transferred,

54-173

THEREFORE, in consideration of the awarding of the loan the mutual covenants and promises of the parties and other good and valuable consideration, the CITY and OWNER agree as follows:

FORGIVABLE LOAN PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned jointly and severally promises to pay to the order of THE CITY OF MANCHESTER or any successors or assigns, the sum of
Twenty seven thousand two hundred ninety three and 00/100--dollars
$27,293.00 as follows:

** Plus or minus any increase or decrease change orders in the amount of $ 2,027.00 for a total indebtedness of $ 29,320.00 .

A. If the below described property is sold or transferred to an LMI household from the date of Final Inspection to it's fifteenth year anniversary, 50% of the amount shown above shall be called due. The remaining 50% will be transferred to the subsequent buyer.

B. If the below described property is sold or transferred to a Non-LMI household from the date of Final Inspection to it's fifteenth year anniversary, 100% of the amount shown above shall be called due.
(*The Mortgagor of this note will recapture their downpayment, principal payments, documentable capital improvements, and closing cost of the sale before the City has the right to collect any amount of this note. If proceeds remain after this note is paid and the 1st mortgage is satisfied, the Mortgagor of this note may collect the proceeds.)

FILE No. 152-653
RECORDING FEE $ 11.00
TRANSFER FEE $
FILED FOR RECORD THE 25 DAY OF August, 1995 AT 3:26 O'CLOCK P M. BOOK 38 PAGE 219
STATE OF IOWA, DELAWARE COUNTY
Deborah L. Peyton, Recorder
TLM CM 31

MORTGAGE (State Law Reference)

Shawn & Angela Shere, 401 TS Hansel Street, Manchester, Iowa 52057, mortgages and warrants to the CITY OF MANCHESTER, IOWA the following described property in the CITY OF MANCHESTER, COUNTY OF DELAWARE, STATE OF IOWA, to secure the payment of the promissory note set out above,

TO WIT:
LEGAL DESCRIPTION:
Lot 1, Patrick's 1st Subdivision, City of Manchester, Delaware County, Iowa

EXECUTED BY:

OWNER Shawn P. Shere

OWNER Angela Shere

PROJECT MANAGER Thomas Swift

5/10/95
DATE

STATE OF IOWA, COUNTY OF DELAWARE

BE IT REMEMBERED, that on this 10th day of May A.D. 19 95, before me the undersigned, a Notary Pubic in and for the County and State aforesaid, came Shawn P. & Angela M. Shere who personally known to me to such person duly acknowledged the execution of the same.

IN TESTIMONY WHEREOF, I have hereto set my hand and notarial seal, the day and year last written above.

MY APPOINTMENT EXPIRES: 5-4-98

NOTARY PUBLIC

PROMISSORY NOTE AND MORTGAGE

STATE OF IOWA, DELAWARE COUNTY, SS.
THIS INSTRUMENT WAS FILED FOR RECORD ON THE ____ DAY OF _____ A.D. 19 ____, AT _____ O'CLOCK ____.M. AND DULY RECORDED IN BOOK _____ AT PAGE _____.

REGISTER OF DEEDS

BY: _____
DEPUTY

FEES

RECORDING $_____

REGISTRATION TAX $_____

TOTAL $_____

INDEXED IN CHATTEL MTG. INDEX
City of Manchester

Shawn Shere, Etal
To
City of Manchester

152-653
DELAWARE COUNTY IOWA
FILED
95 FEB 25 PM 3 26
38 219
DEBORAH KRETCH
DELAWARE CO. RECORDER
$11.00