

TO HAVE AND TO HOLD the above-mortgaged premises, together with all buildings, improvements, and fixtures, to the said Mortgagee forever, provided that if the Mortgagor shall keep and perform all of the covenants herein contained, then this Mortgage and the aforesaid Forgivable Note shall be null and void; otherwise to remain in full effect.

NOW, THEREFORE, in consideration of the Mortgage, the Mortgagor hereby covenants as follows:

1. The Mortgagor agrees to comply with the requirements of the homeowner certification form (the "Homeowner Certification Form") and the Forgivable Note, which are incorporated herein by reference.
2. The Mortgagor will not permit or suffer the use of the property for which this Mortgage is given for any purpose other than Mortgagor's principal place of residence.
3. The activities of the Mortgagor will be subject to the review of and, in the discretion of the Authority, audit by Authority staff to ensure compliance with this Agreement, the Act and the Authority's Rules, and the Mortgagor will provide any books, records or documents in such form and at such place as the Authority may request.
4. The Mortgagor will not permit or suffer the alteration of or addition to any structure upon said Property without the prior written consent of the Mortgagee.
5. Prior to the fifth anniversary of the date of this Mortgage, if the Property is sold or transferred without the Mortgagee's prior written consent, or if the Mortgagor fails to perform any obligation required under the terms of this Mortgage (each such noncompliance an "Early Maturity Event"), such act shall be deemed a breach of a covenant in this Mortgage, and the Forgivable Note shall be immediately due and payable in an amount equal to the principal amount advanced under the Forgivable Note. For purposes of this Mortgage, the words "sold or transferred," individually or together, specifically include, but are not limited to, an outright sale, sale on a land contract, sale with an assumption of the Mortgage, sale with wrap around financing, transfer by operation of law either upon the death of the Mortgagor or otherwise.
6. After the fifth anniversary of the date of this Mortgage, the Mortgagor shall be under no obligation to repay any of the principal of the Forgivable Note.
7. After the repayment in full or forgiveness of the indebtedness represented by the Forgivable Note, the Authority will record a discharge of this Mortgage.
8. The Mortgagor will pay before the same become delinquent or subject to interest or penalties, all taxes, assessments, water rates, and all other charges and encumbrances which now are or shall hereafter be or appear to be a lien upon the said premises or any part thereof (unless otherwise agreed to in writing), and that in default thereof, the Mortgagee may, without demand or notice, pay the said taxes, assessments, charges or encumbrances, and pay such sum of money as the Mortgagee may deem to be necessary therefor, and shall be the sole judge of the legality or validity thereof and of the amount necessary to be paid in satisfaction thereof.
9. The Mortgagor will keep the improvements now existing or hereafter erected on the mortgaged Property insured against loss from fire and such other hazards, casualties, liabilities and contingencies as may be required by an Authorized Officer of the Authority, and all such insurance shall be evidenced by a standard fire and other policies required by the Authority, in amounts acceptable to the Authority. All policies shall be endorsed with a standard mortgagee clause with loss payable to the Authority.

10. The Mortgagor will not permit or commit any waste on said premises and will keep the buildings thereon and all equipment therein mortgaged, if any, in good repair, and promptly comply with all laws, ordinances, regulations, and requirements of any governmental body affecting the said mortgaged premises, and should said premises or any part thereof require inspections, repair, care, or attention of any kind or nature not provided by the Mortgagor, or by another party responsible therefore the Mortgagee, being hereby made sole judge of the necessity therefor may, after notice to the Mortgagor, enter or cause entry to be made on said property, and inspect, repair, protect, care for or maintain said property as the Mortgagee may deem necessary, and may pay such sum of money as the Mortgagee may deem to be necessary therefore and shall be the sole judge of the amount necessary to be paid.
11. Should any default be made in the covenants of this Mortgage, the Mortgagee may cause the abstract or abstracts of title, or Title Insurance Policy and the tax histories of said premises to be certified to date, or may procure new abstracts of title or Title Insurance Policies and tax histories or title search in case none were furnished to the Mortgagee, and may pay therefor such sums as it may deem to be necessary, and if unpaid, may pay the Mortgage tax on this instrument, and shall be the sole judge of the amount necessary to be paid therefor.
12. Should any default be made in the performance of any covenants of this Mortgage or the Forgivable Note, or any part thereof, when the time of performance has arrived, as above provided, then all sums due hereunder shall, at the option of the Mortgagee, without notice, become immediately payable thereafter, although the period above limited for the payment thereof may not have expired, anything herein contained or contained in the Forgivable Note to the contrary notwithstanding, and any failure to exercise such option shall not constitute a waiver of the right to exercise the same at any other time with respect to the same default or any subsequent default.
13. No forbearances on the part of the Mortgagee and no extension of the time for the payment of the debt hereby secured, given by the Mortgagee, shall operate to release, discharge, modify, change or affect the original liability of the Mortgagor herein either in whole or in part.
14. NOTICE: THIS MORTGAGE CONTAINS A POWER OF SALE AND UPON AN EVENT OF DEFAULT MAY BE FORECLOSED BY ADVERTISEMENT AS HEREIN PROVIDED. Upon default being made in the payment of the sums of money herein agreed to be paid, or in the performance of any of the covenants or agreements herein contained according to the terms hereof or of the Forgivable Note secured hereby, the holder of the Forgivable Note is hereby authorized and empowered to sell the Property or cause it to be sold and to convey the same to the purchaser in any lawful manner, including but not limited to that provided in Section 49 of the Act 346 of the Public Acts of 1966 (MCL 125.1449, *et seq.*) entitled "Foreclosure of Mortgage by Advertisement," which permits the mortgage holder to sell the Property without affording the Mortgagor a hearing, or giving the Mortgagor personal notice; the only notice required is to publish notice in a newspaper of general circulation in the county in which the Property is located and to post a copy of the notice on the mortgaged premises.

IN WITNESS WHEREOF, the Mortgagor has caused these presents to be signed as of the day and year first above written.

By: _____

By: _____

STATE OF MICHIGAN)
County of)

Before me personally appeared
on this day of , by

Notary Public, State of Michigan
County of
My Commission Expires:

Form Drafted by:
Kara Hart-Negrich
Michigan State Housing Development Authority
735 East Michigan Avenue, P.O. Box 30044
Lansing, MI 48909

Form Completed by:

And when Recorded, Return to:

Michigan State Housing Development Authority
Neighborhood Housing Initiatives Division
735 East Michigan Avenue, P.O. Box 30044
Lansing, Michigan 48909

**EXHIBIT A
LEGAL DESCRIPTION**

Commonly known as:

Parcel/Property ID #: