

**HOUSING DEVELOPMENT FUND GRANT FORGIVABLE
NOTE Grant # HDF- -NEP
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
735 East Michigan Avenue, P. O. Box 30044
Lansing, Michigan 48909**

\$

, Michigan

FOR VALUE RECEIVED, _____, whose address is _____, (herein called the "Mortgagor"), promises to pay the Michigan State Housing Development Authority, a Michigan public body corporate and politic (herein called the "Mortgagee" or the "Authority"), whose address is 735 East Michigan Avenue, P. O. Box 30044, Lansing, Michigan 48909, or order, the principal sum of _____ Dollars (\$ _____), bearing no interest, or fraction thereof provided that:

- A. If, before the fifth anniversary of the date of this mortgage note (the "Forgivable Note"), the Mortgagor shall fail to comply with the terms of the mortgage (the "Mortgage") entered into between the parties on the same date as this Forgivable Note and recorded in the office of the County Register of Deeds (each such noncompliance an "Early Maturity Event"), then this Forgivable Note shall be immediately due and payable in an amount equal to the principal amount advanced under this Forgivable Note.
- B. On and after the fifth anniversary of the date of this Forgivable Note, the Mortgagor shall have no further repayment obligation.

In the event of Early Maturity, principal shall be payable at 735 East Michigan Avenue, P.O. Box 30044, Lansing, Michigan 48909 or such other place as an Authorized Officer of the Mortgagee or holder of this Forgivable Note may designate in writing.

In the event of default in the payment of this Forgivable Note, and if the same is collected by an attorney at law, the undersigned hereby agree(s) to pay all cost of collection, including a reasonable attorney's fee.

All parties to this Forgivable Note, whether principal, surety, guarantor or endorser, hereby waive presentment for payment, demand, protest, notice of protest, and notice of dishonor and consent to any number of renewals or extensions of the time of payment thereof. Any such renewals or extensions may be made without notice of any of said parties and without affecting their liability.

This Forgivable Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their heirs, personal representatives, successors, and assigns.

Any notice to Mortgagor provided for in this Forgivable Note shall be given by mailing such notice by regular or certified mail addressed to Mortgagor at the Property Address stated in the first paragraph of this Forgivable Note, or to such other address as Mortgagor may designate by notice to the Forgivable Note holder. Any notice to the Forgivable Note holder shall be given by mailing such notice by certified mail, return receipt requested, to the Forgivable Note holder at the address stated in the first paragraph of this Forgivable Note, or at such other address as may have been designated by notice to Borrower.

This is the Forgivable Note described in and secured by a Mortgage of even date in the same principal amount as herein stated.

Signed as of the day of , .

By: _____

By: _____

**EXHIBIT A
LEGAL DESCRIPTION**

Commonly known as:

Parcel/Property ID #: