

**Emergency & Accessibility Loan Program
NOTE**

Loan Amount: _____

Term of Loan: 15 years

Date: _____

BORROWER NAME

Last **First** **MI**

CO-BORROWER NAME

Last **First** **MI**

PROPERTY ADDRESS

Street **City**

County **Zip**

LENDER

Lender Name

Lender Address

1. The above named Borrower and Co-borrower, if applicable, (hereinafter cumulatively referred to as the "Borrower") desire to obtain from the above named Lender (hereinafter referred to as the "Lender") a 0% interest mortgage Loan (hereinafter referred to as the "Loan") in the amount of _____ (_____) the proceeds of which are to be used to pay for, in whole or in part, rehabilitation work to be performed on the land and structures located at the above listed property address (hereinafter cumulatively referred to as the "Property").
2. Borrower, by executing this Emergency & Accessibility Loan Program Note (hereinafter referred to as the "Note"), acknowledges, understands and agrees that the Lender's obligation to provide and fund the Loan

is subject to Borrower's prior and continuing compliance with all of the terms, conditions, provisions, covenants and representations contained herein, and if Borrower fails to so comply then the Lender may, at its sole option and discretion, refuse to provide and fund any portion or all of the Loan.

3. The Lender's obligation to provide funds for the Loan expires on the date that is one hundred twenty (120) days from the date on which Borrower signs this Note, unless an extension is granted by Minnesota Housing, and if Borrower has not requested disbursement of the full amount of the Loan by such date then the amount of the Loan shall be reduced to the amount of funds that the Lender has provided under this Note and Borrower shall execute any and all documents that the Lender may reasonably request in order to reflect such reduction in the amount of the Loan.
4. The repayment of the indebtedness evidenced by this Note is secured by that certain Emergency & Accessibility Mortgage of even date herewith (hereinafter referred to as the "Mortgage"), and this Note is the Note referred to therein.
5. Borrower hereby makes the following representations, covenants and commitments for the purpose of inducing the Lender to provide and fund the Loan:
 - A. Borrower possesses an ownership interest in the property and will continue to possess such ownership interest for as long as any part of the Loan is outstanding and unpaid;
 - B. Borrower is occupying and will continue to occupy the Property as his/her principal residence;
 - C. Borrower is in full compliance with all of the terms, conditions, covenants and warranties contained in any and all mortgages, deeds of trust, contract for deeds, leases, or other security agreements that create a lien that has a priority over the lien created by the Mortgage, and all real estate taxes and special assessments that apply to the Property have been paid to date and are current;
 - D. Borrower will promptly notify the Lender if Borrower at any time fails to fully comply with all of the terms, conditions, covenants and warranties contained in any and all mortgages, deeds of trust, contract for deeds, leases, or other security agreements that create a lien that has a priority over the lien created by the Mortgage, and any time that any real estate taxes or special assessments that apply to the Property have not been paid when due;
 - E. The facts provided by Borrower to the Lender in connection with Borrower's applications for the Loan were all true and correct at the time they were provided and continue to be true and correct;
 - F. Borrower will cooperate fully with the Lender in obtaining and furnishing all additional information with respect to Borrower's qualification for the Loan as the Lender may reasonably request; and
 - G. Borrower will enter into and execute any and all documents needed to further document and secure the repayment of the Loan as the Lender may reasonably request including, but not limited to, the Mortgage (hereinafter such documents are cumulatively referred to as the "Additional Loan Documents").
6. Upon Borrower's execution of this Note and the Additional Loan Documents, the Lender shall make the Loan to Borrower and hold the proceeds thereof in escrow and disburse such proceeds thereby in accordance with the agreed upon rehabilitation work to be performed on the Property.
7. Borrower shall not be required to make any periodic payments on any portion of the Loan, and the full outstanding and unpaid principal balance of the Loan shall be repaid in accordance with the provisions contained in Section 8 herein below.

8. Borrower agrees to pay the principal sum of the Loan, with interest as hereinafter provided, upon the occurrence of any of the following events within the period of fifteen (15) years after the date of this note as set forth above:
 - A. Borrower sells, transfers or conveys his/her ownership interest in the subject property.
 - B. Borrower ceases, for any reason, to occupy the property described above as his/her principal place of residence.
 - C. Borrower fails to fully and completely comply with any term, covenant, condition, provision, or requirement contained in this Note, the Mortgage or the Additional Loan Documents.
 - D. Any representation or covenant made by Borrower in this Note, the Mortgage or the Additional Loan Documents is determined to be untrue.
 - E. In the event the Property is sold, voluntarily or involuntarily, the payment amount required above shall be further limited to not exceed the lesser of the amount required in paragraph 8 as applicable, or the Net Proceeds. "Net Proceeds" means the sales price of the property minus superior Loan repayment and any closing costs.
9. Absent the occurrence of the events set forth in paragraph 8 above, within the term of this loan; upon the commencement of the first day of the 16th year after the date of the loan, Borrower shall have no obligation to repay the loan.
10. If repayment is required under Section 8 above, and Borrower does not repay the Loan within 30 days of the date it becomes due and payable, Borrower agrees to pay interest on the outstanding balance. The interest rate will be the lesser of 18% per annum or the highest interest rate allowed by law, and will accrue beginning on the date the Loan was due and payable.
11. Any payments due to be made by Borrower to the Lender shall be paid to the Lender at the address shown hereinabove for the Lender or such other address as Lender may designate in writing.
12. Any payments made by Borrower to the Lender with respect to any indebtedness due under this Note shall be applied first to any amounts incurred or disbursed by the Lender in the exercise of any rights and/or remedies that the Lender may possess under the Mortgage, then to accrued interest (if any) on such indebtedness, and the remainder in reduction of principal due and owing by Borrower on such indebtedness.
13. The Loan may be prepaid, in whole or in part, at any time without penalty.
14. Borrower may not assign its interest in this Note without the prior written consent of the Lender, which consent may be withheld by the Lender at its sole option and discretion.
15. The Lender may assign its rights under this Note at any time without the consent of or consultation with Borrower.
16. No amendment or modification of this Note shall be effective unless in writing and signed by the party against which such amendment or modification is sought to be enforced.
17. No waiver by the Lender of any term or condition of this Note shall be valid unless in writing and signed by the Lender, nor shall any such waiver be deemed a continuing waiver of such term or condition.
18. This Note shall be binding upon and shall extend to the benefit of the parties hereto and their respective heirs, successors and permitted assigns.

19. Borrower and all others who are liable for the repayment of all or any part of the Loan hereby agree to be jointly and severally bound and jointly and severally waive demand, protest, notice of nonpayment and any and all lack of diligence or delays in collection or enforcement thereof, and specifically consent to any extension of time, or release of any party liable for the payment of such Loan, including any maker, or acceptance of other security therefore. Any such extension or release may be made without notice to said party and without in any way affecting the liability of such party.
20. If any payment due under this Note is not paid when due, and this Note is placed in the hands of any attorney or attorneys for collection or foreclosure of the Mortgage or enforcement of any other security instrument securing payment hereof, the Borrower promises to pay, in addition to the amount due hereon, the reasonable costs and expenses of foreclosure and collection (including attorneys' fees), and all such costs and expenses shall be secured by the Mortgage.
21. No failure or delay by the Lender to exercise any right or remedy under this Note shall waive such right or remedy.
22. Any notice that must be given under this Note shall be given by delivering or mailing, by certified mail, such notice to the following addresses:
 - A. Notices to Borrower shall be delivered or mailed to the Property Address shown hereinabove for Borrower, or such other address as Borrower may designate in writing; and
 - B. Notices to the Lender shall be delivered or mailed to the address shown hereinabove for the Lender or such other address as Lender may designate in writing.
23. This Note is made and delivered in Minnesota, and accordingly, the clauses and provisions of this Note and the rights, payments, charges, indebtedness and other items hereby secured shall be construed and enforced according to the laws of the State of Minnesota.
24. The Lender's funding of the Loan, in any amount, shall be evidence of the Lender's acceptance of this Note and the Lender's agreement with and acceptance of all of the terms and conditions contained herein that are imposed upon the Lender.

(THE REMAINING PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK.)

25. Borrower hereby acknowledges receipt of a copy of this Note.

Borrower's Signature

Co-Borrower's Signature

ENDORSEMENT TO MHFA

Without recourse, pay to the order of the Minnesota Housing Finance Agency.

Lender: _____

By: _____

Its: _____

TIL and NMLSR ID

Loan Originator Company Name

Loan Originator Individual Name
(as name appears on NMLSR)

Loan Originator Company NMLSR ID

Loan Originator Individual NMLSR ID
(if applicable)