

**THIS INSTRUMENT IS EXEMPT FROM MORTGAGE REGISTRATION TAX UNDER MINNESOTA STATUTE §287.04(f)  
Brooklyn Center First Time Homebuyer Program**

**Please return recorded mortgage to:** CEE, 212 3<sup>rd</sup> Ave N, Ste 560, Minneapolis, MN 55401

**MORTGAGE**

THIS INDENTURE, Made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between  
\_\_\_\_\_,  
\_\_\_\_\_ (*marital status*), Mortgagor(s) and the City of Brooklyn Center, a  
public body corporate and politic under the laws of the State of Minnesota, Mortgagee(s).

Witnesseth, that Mortgagor(s), in consideration of the sum of \_\_\_\_\_ and  
00/100, Dollars (\$ \_\_\_\_\_ .00) to her/him/them in hand paid by Mortgagee(s), the receipt whereof is  
hereby acknowledged, do(es) hereby grant, bargain, sell, and convey unto the said Mortgagee(s), its  
successors and assigns, forever, all the tract(s) or parcel(s) of land lying and being in the County of  
Hennepin, State of Minnesota the Property, legally described as follows:

*(legal to be added)*

To have and hold the same together with the hereditaments and appurtenances thereto belonging to  
Mortgagee(s), its successors and assigns, forever. And Mortgagor(s), for his/her/their heirs, administrators,  
executors and assigns, do(es)covenant with Mortgagee(s), its successors and assigns, as follows:

1. The Property shall be occupied by the Mortgagor(s); and.
2. The Mortgagor(s) will not lease, sell, transfer, mortgage or pledge all or any part of the  
Mortgagor(s)'s interest in the Property without prior written consent of the Mortgagee.

Provided that if Mortgagor(s), his/her/their heirs, administrators, executors or assigns shall pay to  
Mortgagee(s), its successors or assigns, the sum of the principal secured by this mortgage, according to the  
terms of the promissory note of even date herewith (the Note), with interest thereon at the rate of **zero**  
percent per annum, executed by Mortgagor(s), and payable to Mortgagee(s), at its office at 6301 Shingle  
Creek Pkwy, Brooklyn Center, MN 55430, and shall repay to Mortgagee(s), its successors or assigns, at the  
times and with interest as hereinafter specified, all sums advanced in protecting the lien of this mortgage, in  
payment of taxes on said Property, insurance premiums covering buildings thereon, principal or interest on  
any prior liens, expenses and attorney's fees herein provided for and sums advanced for any other purpose

authorized herein, and shall keep and perform all the covenants and agreements herein contained then this deed shall be null and void, and to be released at the Mortgagor's expense.

Mortgagor(s), for his/her/their heirs, administrators and executors, do(es) hereby covenant and agree with Mortgagee(s) its successors and assigns, to pay the principal sum of money and interest as above specified; to pay all taxes and assessments now due or that may hereafter become liens against said Property at least ten days before penalty attaches thereto; to keep any buildings on said Property, insured by companies; approved by Mortgagee(s) against loss by fire and against loss by windstorm for at least the sum of the principal secured by this mortgage plus any prior mortgages, and to deliver to Mortgagee(s) the policies for such insurance with mortgage clause attached in favor of Mortgagee(s) or its assigns; to pay, when due, both principal and interest of all prior liens or encumbrances, if any, above mentioned and to keep said Property free and clear of all other prior liens or encumbrances; to commit or permit no waste on said Property and to keep them in good repair; to complete forthwith any improvements which may hereafter be under course of construction thereon, and to pay any other expenses and attorney's fees incurred by Mortgagee(s), its successors or assigns, by reason of litigation with any third party for the protection of the lien of this mortgage.

In the case of a voluntary or involuntary sale or transfer of title of the Property before the maturity date of the Note, the full amount of this mortgage must be repaid. In the event of a voluntary or involuntary sale where the Mortgagee determines there are no net proceeds or where the Mortgagee determines that net proceeds are insufficient to repay the full amount of this mortgage, the repayment will be equal to the net proceeds. Net proceeds are defined as the fair market value sales price of the Property minus the balance of the superior loan(s) and reasonable and customary closing costs. Repayment of the principal amount of loaned to the borrower(s) upon sale of the property before the 10 year forgiveness period is as follows:

- 0-72 Months: 100% of original loan amount
- 73-84 Months: 80% of original loan amount
- 85-96 Months: 60% of original loan amount
- 97-108 Months: 40% of original loan amount
- 109-120 Months: 20% of original loan amount

\*After 10<sup>th</sup> anniversary: 100% of original loan amount forgiven

In case of failure to pay said taxes and assessments, prior liens or encumbrances, association assessments, expenses and attorney's fees as above specified, or to insure said buildings and deliver the policies as aforesaid, the Mortgagee(s), its successors or assigns, may pay such taxes, assessments, prior liens, expenses and attorney's fees and interest thereon, or effect such insurance, and the sums so paid shall bear interest at the highest rate permitted by law from the date of such payment, shall be impressed as an additional lien upon said Property and be immediately due and payable from Mortgagor(s), his/her/their heirs or assigns, to Mortgagee(s), its successors or assigns, and this mortgage shall from date thereof secure the repayment of such advances with interest.

In case of default in any of the foregoing covenants, the Mortgagor(s) confer(s) upon Mortgagee(s) the option of declaring the unpaid balance of the Note and the interest accrued thereon, together with all sums advanced hereunder, immediately due and payable without notice, and hereby authorize and empower Mortgagee(s), its successors and assigns, to foreclose this mortgage by action or advertisement, power being expressly granted to sell said Property at public auction and convey the same to the purchaser in fee simple in accordance with the statute, and out of the moneys arising from such sale to retain all sums secured hereby, with interest and all legal costs and charges of such foreclosure and the maximum attorney's fee permitted by law, which costs, charges and fees Mortgagor(s) agree(s) to pay.

