

**HOME INVESTMENT PARTNERSHIPS PROGRAM
FIRST-TIME HOMEBUYER ACQUISITION LOAN**

MORTGAGE

THIS MORTGAGE (this "Mortgage") is made this ____ day of _____, 20__ between the mortgagor, _____ (herein "Borrower") whose address is _____, Massachusetts, and the mortgagee **The Malden Redevelopment Authority, as Representative Member and Agent for the North Suburban Consortium**, whose address is **17 Pleasant Street, Malden, Massachusetts 02148** (herein "Lender").

Background and Granting Clause

Borrower is indebted to Lender in the principal sum of _____ and 00/100 Dollars (\$_____) (the "Loan") which indebtedness is evidenced by Borrower's Promissory Note of even date herewith (the "Note"), providing for repayment of the Loan under certain conditions and providing for other conditions of the Loan.

TO SECURE to Lender the repayment under the Note and the performance of the covenants and agreements of Borrower contained in this Mortgage, Borrower does hereby mortgage, grant and convey to Lender, with MORTGAGE COVENANTS, upon the STATUTORY CONDITION and with the STATUTORY POWER OF SALE the following described property located in the County of _____, Commonwealth of Massachusetts, which has the address of _____, (the "Property Address"), as more particularly described on Exhibit A attached hereto;

TOGETHER with all the buildings and improvements now or hereafter erected on such real property, and all fixtures, easements, rights, licenses, appurtenances and rents, all of which shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said real property are hereinafter referred to as the "Property."

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for that certain mortgage by and between the Borrower and _____ (the "Senior Mortgage"). Borrower warrants and covenants to defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

Covenants

Borrower covenants and agrees as follows:

1. **Repayment.** In the event the Borrower refinances, sells, transfers or no longer resides in the Property as their principal residence before the **fifth** anniversary of the Note, the Borrower shall repay to the Lender an amount as calculated under the Note.

2. **Condition of Property.** The property meets Housing Quality Standards as set by the U.S. Department of Housing and Urban Development, as well as lead paint poisoning regulations, 24 CFR, Subtitle A, Part 35.

3. **Prior Mortgages; Charges; Liens.** Borrower shall perform all of Borrower's obligations under the Senior Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage and leasehold payments or ground rents, if any.

4. **Hazard Insurance.** Borrower shall keep improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require, subject to the terms and conditions of the Senior Mortgage.

All insurance policies and renewals thereof shall include a standard mortgage clause in favor of Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage or other security agreement with a lien which has priority over this Mortgage.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and to Lender. Lender may make proof of loss if not made promptly by Borrower.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, subject to the rights of the mortgagee under the Senior Mortgage, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

5. **Preservation and Maintenance of Property; Owner Occupied.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. If this Mortgage is on a unit in a condominium or a planned unit development Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-

laws and regulations of the condominium or planned unit development, and constituent documents. Borrower shall not use the Property for other than his or her primary residence during the term of the Note. Leasing of the Property shall not be permitted without the prior written consent of the Lender, which consent may be granted or withheld in the Lender's sole discretion.

6. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may disburse such sums, including reasonable attorneys' fees, and take such actions as are necessary to protect Lender's interest, and any expenses so incurred by Lender shall be secured by this Mortgage.

7. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

8. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation are hereby assigned and shall be paid to Lender, subject to the terms and conditions of the Senior Mortgage.

9. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of the conditions of the terms for payment of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

10. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The Borrower's interest under the Note and this Mortgage may not be transferred, assigned, or assumed without the written consent of Lender. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower. All covenants and agreements of Borrower shall be joint and several.

11. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the

Property Address, and (b) any notice to Lender shall be given by hand-delivery to Lender at **17 Pleasant Street, Malden, Massachusetts** or certified mail to Lender at **P.O. Box 278, Malden, Massachusetts 02148** address stated herein or to such other address Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

12. **Governing Law; Severability.** This Mortgage shall be governed by the laws of the Commonwealth of Massachusetts. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

13. **Breach; Remedies.** Subject to the terms and conditions of the Senior Mortgage, upon Borrower's breach of the STATUTORY CONDITION or any covenant or agreement of Borrower in the Note or this Mortgage, including the covenant to pay when due any sums secured by this Mortgage, Lender, prior to acceleration shall give notice to Borrower as provided in paragraph 10 hereof specifying; (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the notice is mailed to Borrower, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration and sale.

If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may invoke the STATUTORY POWER OF SALE and any other remedy permitted by applicable law. Lender shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this paragraph 13, including, but not limited to, reasonable attorneys' fees, all of which shall be secured by this Mortgage.

If Lender invokes the STATUTORY POWER OF SALE, Lender shall mail a copy of a notice of sale to Borrower, and to any other person required by applicable law, in the manner provided by applicable law. Lender shall publish the notice of sale and the Property shall be sold in the manner prescribed by applicable law. Lender or Lender's designee may purchase the property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all reasonable costs and expenses of the sale, including reasonable attorneys' fees and costs of title evidence; (b) to all sums secured by any mortgage with a lien which has

priority over this Mortgage; (c) to all sums secured by this Mortgage; and (d) the excess, if any, to the person or persons legally entitled thereto.

14. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, subject to the terms and conditions of the Senior Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to the earlier to occur of (i) sale of the Property pursuant to the Statutory Power of Sale contained in this Mortgage or (ii) entry of a judgment enforcing this Mortgage if: (a) Borrower cures all breaches of any covenants or agreements of Borrower contained in the Note and this Mortgage; (b) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 13 hereof, including, but not limited to, reasonable attorneys' fees; and (c) Borrower takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, the Note, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

15. **Release.** Upon the expiration of the term of the Note or upon proper payment of all sums secured by this Mortgage, Lender shall discharge this Mortgage without cost to Borrower. Borrower shall pay all costs of recordation, if any.

Borrower

Borrower

COMMONWEALTH OF MASSACHUSETTS

_____, ss.

On this __ day of _____, 20__ before me, the undersigned notary public, personally appeared _____ proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he) (she) signed it voluntarily for its stated purpose.

Notary Public

Exhibit A-Property Description