

1141 NW 28

Doc # 2004106382
Bk 9375
Pg 418-422
DATE 06/30/04 14:52:05
Filing Fee \$21.00
Documentary Tax \$0.00
State of Oklahoma
County of Oklahoma
Oklahoma County Clerk
Carolynn Caudill

RECEIVED

JUN 1 2004

PLANNING DEPARTMENT

000167

TREASURER'S ENDORSEMENT
I hereby certify that I received \$ 500.00 & issued rec No. 500
Therefore in payment of mortgage tax on the within mortgage.
Dated this 20 day of June, 2004.
FORREST "BUTCH" FREEMAN, County Treasurer

By Paula Wells, Deputy

TRANSITIONAL HOUSING FORGIVABLE LOAN NOTE AND MORTGAGE

THIS FORGIVABLE LOAN NOTE AND MORTGAGE made this 26th day of May, 2004, by and between Red Rock Behavioral Health Services, hereinafter referred to as the **Mortgagor(s)** or **Borrower(s)** and The City of Oklahoma City, hereinafter referred to as **City** or **Mortgagor** or **Lender**.

WHEREAS, The City of Oklahoma City is conducting a Program funded by and through the U.S. Department of Housing and Urban Development pursuant to the National Affordable Housing Act of 1990, P.L. 101-625, 140 Stat. 4079, et seq., as amended, and all regulations promulgated thereunder, hereinafter referred to as "**The Act**"; and

WHEREAS, pursuant to The Act, the United States Government has made available to those persons living within and throughout Oklahoma City certain funds that may be used for the purchase, purchase/rehabilitation or construction of transitional housing administered by non-profit service providers; and

WHEREAS, the Mortgagor(s) have control of the real property described below, which has or will be reconstructed using Federal funds provided by The City pursuant to The Act.

NOW, THEREFORE, in consideration of the provision of forgivable loan funds to undertake the reconstruction of a transitional living facility on said property, the Mortgagor(s) covenants and agrees as follows:

NOTE

For value received, Borrow(s), promise to pay to the order of The City of Oklahoma City, the principal sum of Ninety-one Thousand Nine Hundred Thirty-two and 53/100 Dollars (\$91,932.53) or so much thereof as may be actually advanced.

In the event of default under the terms and conditions of this Note and Mortgage, the said principal shall be payable to The City of Oklahoma City, c/o the Planning Department, 200 North Walker Street, Oklahoma City, Oklahoma 73102, or such other place as The City may designate in writing, in a lump sum, within thirty (30) days of the event of such default by the Borrower(s).

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

The indebtedness evidenced by this Note is secured by the Mortgage ("Mortgage") hereinafter set forth.

PLANNING DEPARTMENT
COMMUNITY DEVELOPMENT DIV.
420 WEST MAIN, 9TH FLOOR
OKLAHOMA CITY, OK 73102

WJ

13.00
8.00
21.00
5.00

If (i) default be made in the terms of the Note, payment in whole or in part of any sum provided for herein and such default continues for a period of thirty (30) days after Lender gives written notice thereof to Borrower, or (ii) an event of default shall occur under the Mortgage, the Lender may, at its option, without further notice or demand, declare the unpaid principal balance on this Note at once due and payable, foreclose all liens securing payment hereof, pursue any and all other rights, remedies, and recourses available to Lender, or pursue any combination of the foregoing, all remedies hereunder being cumulative. Failure to exercise such option shall not constitute a waiver of the right to exercise such option in the event of a continuing or subsequent default. All payments made after default shall be applied to principal.

If Lender is required to bring suit to collect any part of this Note or to enforce or protect through litigation any of its rights under this Note or the Mortgage, the Borrower agrees to pay all of Lender's costs of litigation or appeal, including reasonable attorney's fees.

Time is of the essence hereof for all purposes.

MORTGAGE

The Mortgagor(s) for the purpose of securing the payment of the above sum of money, the receipt of which is hereby acknowledged, do by these presents mortgage unto The City and/or its successors or assigns the following described real property situated in Oklahoma County and State of Oklahoma, to wit:

Lot Fourteen (14), of Block One (1), in Edgecourt Addition to Oklahoma City, Oklahoma County, Oklahoma, according to the recorded plat thereof.
(1141 NW 28th Street)

To have and to hold the same, together with all and singular improvements thereon, the tenements, hereditaments, and appurtenances thereto belonging, or in any wise appertaining forever.

The Mortgagor(s) Further Covenant and Agree with Mortgagee as follows:

1. The Mortgagor(s) agrees to comply with all the terms and conditions of the Note.
2. That the Mortgagor(s) is the owner(s) in fee simple of said premises and will warrant and defend the same against all lawful claims of any other person.
3. That the funds advanced to the Mortgagor(s) by The City pursuant to this Note and Mortgage shall be used exclusively for the construction of a residential structure on the above described real property in keeping with the provisions of The Act and in accordance with the Plans and Specifications as set forth in Exhibit "A" to the Construction Contract, and as described in the Scope of Work attached to this Mortgage, and for no other purpose.
4. To pay, when due, all taxes and assessments of every type or nature levied or assessed against the premises and any claim, lien or encumbrance against the premises which may be or become prior to this Mortgage.

5. That Mortgagor(s) (1) will maintain the premises in good condition and repair; (2) will not commit or suffer waste thereof; and (3) will comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the premises, and will not suffer or permit any violation thereof.
6. That Mortgagor(s) will keep buildings, improvements and fixtures upon said real property insured against loss or damage by fire, lightning, wind and all other hazards with a company or companies satisfactory to The City in an amount sufficient to replace or repair damage to the improvements during the "affordability period" for the benefit of The City during the existence of this Mortgage. Provided, however, that if the indebtedness secured by this Mortgage is inferior to other mortgages, then the Mortgagor(s) shall provide insurance coverage in an amount sufficient to secure the principal amount of the Note secured by this Mortgage and any unpaid portion of all superior mortgages and liens.

In the event the Mortgagor(s) fail to comply with this provision, it is understood that a default has occurred, and all of the indebtedness secured hereby shall become and be immediately due at the option of The City, and this Mortgage may thereupon be foreclosed for the entire indebtedness and costs.

In the event of a foreclosure, the court may direct a sale of the property, to be with or without appraisal as The City may elect, said election to be exercised at the time of judgment is rendered, or at any time prior thereto.

7. If default be made in performance of any Mortgagor(s) obligations, covenants or agreements hereunder, all of the indebtedness secured hereby shall become and be immediately due and payable at the option of The City, and this Mortgage may thereupon be foreclosed for the entire indebtedness and costs. In the event of a foreclosure, the court may direct a sale of the property, to be with or without appraisal as The City may elect, said election to be exercised at the time judgment is rendered, or at any time prior thereto.
8. The Mortgagor(s) shall use the residential structure located on the above described real property exclusively as a transitional living residence for low-income persons or households as provided in the Act and served by the Borrower(s) for a period of twenty (20) years from the date hereof and shall not sell, sell under contract or otherwise transfer title thereto or any interest therein or right of possession thereof from Mortgagor(s) to another during the term of this Mortgage.

Mortgagor(s) shall while this Note and Mortgage remain in effect keep and maintain documentation satisfactory to the City to verify the low-income status of persons or households residing on the premises and provide such records to The City as requested by The City.

In the event Mortgagor(s) fail to comply with this provision, it is understood that a default has occurred, the entire indebtedness secured hereby shall become and be immediately due at the option of The City, and this Mortgage may thereupon be foreclosed for the entire indebtedness and costs.

In the event of a foreclosure, the court may direct a sale of the property, to be with or without appraisal as The City may elect, said election to be exercised at the time of judgment is rendered, or at any time prior thereto.

9. The entire indebtedness secured hereby shall become immediately due and payable upon default by the Mortgagor(s) on any obligations, covenants or agreements herein.
10. In case the indebtedness secured hereby or any part thereof is collected by suit or action or this Mortgage is foreclosed, or put into the hands of an attorney for collection, suit, action, or foreclosure, Mortgagor(s) shall be chargeable with all costs and expenses, including reasonable attorney's fees, which shall be immediately due and payable and added to the mortgage indebtedness secured hereby.
11. Any forbearance by The City 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.
12. All remedies provided by this Mortgage are distinct and cumulative to any other right or remedy under the Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.
13. The covenants and agreements herein contained shall bind and the rights hereunder shall inure to, the respective successors and assigns of the Mortgagor(s) and The City.
14. Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagor(s) provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Mortgagor(s) at the address of Borrower's administrative offices which is 4400 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105 and (b) any notice to The City shall be given by certified mail, return receipt requested, to The City's address stated herein or to such other address as The City may designate in writing by notice to Mortgagor(s). Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagor(s) or The City when given in the manner designated herein.
15. If any portion of the foregoing is determined to be invalid under applicable law, such determination shall in no way affect the validity of the remainder of this instrument.
16. When the context in which words are used herein indicate that such is the intent, words in the singular shall include the plural and vice-versa and references to one gender shall also include the other gender.

- IN WITNESS WHEREOF**, Mortgagor(s) has hereunto set his/her/their hand(s) the day and year first above written.

By: _____
Title: _____

My Commission Expires 11/19/06

My Commission expires: 11/19/06

Jane E. White
Notary Public