

✓ 91-490-0255

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OFFICE OF THE COUNTY RECORDER
ITASCA COUNTY, MINNESOTA

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NICOLLE ZUEHLKE
ITASCA COUNTY RECORDER

BY NZ Dep



Exempt From Mortgage Registration Tax


Jeffrey T. Walker, Auditor/Treasurer

MORTGAGE REGISTRY TAX DUE: This instrument is exempt from registration tax because the City of Grand Rapids is the Mortgagee and exempt from taxation pursuant to Minnesota Statute 287.04.

**REAL ESTATE MORTGAGE
SCDP COMMERCIAL & RESIDENTIAL LOAN PROGRAM**

THIS MORTGAGE, is made this 18th day of December, 2020 by Brittany Adams(owner), unmarried (marital status) (hereinafter collectively referred to as "Mortgagor") and the **City of Grand Rapids**, a public body corporate and politic of the State of Minnesota, having its principal office at 420 N Pokegama Ave, Grand Rapids, MN 55744 (hereinafter referred to as "Mortgagee"); and, where applicable, the Contract for Deed vendor(s), remainderman, or separated spouses not in possession or others with ownership interest joining in this mortgage at the place provided below.

WITNESSETH: Mortgagor and Mortgagee have entered into that certain Loan Note and Agreement for SCDP Loan Program (hereinafter referred to as the "Note") pursuant to which Mortgagee has loaned, or committed to loan, Mortgagor the sum of Twenty One Thousand Eight Hundred and Five dollars & 00/100's (\$21,805.00) (hereinafter referred to as the "Loan"). In consideration thereof the Mortgagor does hereby Mortgage, grant, bargain, sell and convey unto the Mortgagee, its successors and assigns, forever, with power of sale, all parcel(s) of land situated in the County of Itasca, State of Minnesota, described in the attached **EXHIBIT A**, together with the hereditaments and appurtenances thereunto belonging or in anywise appertaining, and all fixtures now or hereinafter attached to or used in connection with the premises herein described, all of which including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage (hereinafter referred to as the "Mortgaged Property"). Said Mortgage is given to secure repayment of the entire indebtedness due on or before March 31, 2028, (date of maturity) by Mortgagor to Mortgagee under the Note, as well as all other amounts due by Mortgagor to Mortgagee under the terms of this Mortgage

TO HAVE AND TO HOLD THE SAME, unto the said Mortgagee, its successors and assigns forever.

PROVIDED, NEVERTHELESS, that if the Mortgagor shall well and truly pay to the Mortgagee the principal sum of Twenty One Thousand Eight Hundred and Five dollars & 00/100's (\$21,805.00), together with interest thereon according to the terms of the Note of even date herewith, the provisions of which are incorporated herein by reference (or of any instrument

issued in substitution therefore or in renewal or as a refinancing thereof); principal and interest being payable at the office of the City of Grand Rapids at its office located at 420 N Pokegama Avenue, Grand Rapids, Minnesota 55744 or at such other place as the holder of the note may designate in writing delivered or mailed to Borrower; providing further, that if the Mortgagor shall keep and perform each and every covenant and agreement contained in the Note and in this Mortgage, then this Mortgage and the estate hereby granted shall cease and be and become void and shall be released of record at the expense of the Mortgagor, otherwise to remain in full force and effect.

THE MORTGAGOR HEREBY COVENANTS:

First, that Mortgagor is lawfully seized of a mortgagable interest in said premises;

Second, that Mortgagor has good right to convey the same in manner and form aforesaid;

Third, that the same are free from all liens or encumbrances, except as herein otherwise recited;

Fourth, that the Mortgagee, its successors and assigns, shall quietly enjoy and possess the same and that Mortgagor will warrant and defend the aforesaid title to the same against all lawful claims not hereinbefore specifically excepted.

MORTGAGOR FURTHER COVENANTS:

1. Mortgagor will promptly pay the principal and interest on the indebtedness evidenced by the Note, at the time and in the manner therein provided.
2. The lien of this instrument shall remain in full force and effect during any postponement or extension of the time of payment of the indebtedness or any part thereof secured hereby.
3. Mortgagor will pay, before a fine or penalty might attach for nonpayment thereof, all ground rents, taxes, assessments, water rates, and other governmental or municipal charges, fines or impositions levied upon said premises, and they will promptly deliver the official receipts therefore to the Mortgagee. In default thereof the Mortgagee may pay the same.
4. Mortgagor will pay, when due, both principal and interest of all prior liens or encumbrances, if any, and keep the premises free and clear of all other prior liens or encumbrances, except as approved in this Agreement by the Mortgagee. In default thereof, the Mortgagee may pay the same. The Mortgagee hereby acknowledges and approves the leases, liens or encumbrances, which have priority over this Mortgage as documented in the attached **EXHIBIT B**.
5. Mortgagor shall not commit or permit waste, and shall maintain the property in as good condition as at present, reasonable wear and tear excepted. Upon any failure to so maintain, Mortgagee, at its option, may cause reasonable maintenance work to be performed at cost to the Mortgagor.
6. Mortgagor will continuously maintain hazard insurance, of such type or types and amounts as Mortgagee may from time to time require, on the improvements now or hereafter on said premises, and Mortgagor will promptly pay when due any premiums therefor. In default thereof, Mortgagee may pay the same. All insurance shall be carried in companies acceptable to the Mortgagee and the declarations of coverage and notifications of renewals or cancellations shall be provided to the Mortgagee and have indication thereon of loss payable clauses in favor of and in form acceptable to the Mortgagee.
7. All sums paid or advanced by the Mortgagee for the maintenance or repair of said premises, as provided in Paragraph 5 above, or payment of principle and interest of a prior lien or encumbrance, as provided in paragraph 4 above, or for taxes, assessments, insurance

Mortgagor Initials



premiums related to the same, or for any other purpose elsewhere authorized hereunder, shall be added to the indebtedness secured hereby and shall bear interest from the date of payment by the Mortgagee at the rate specified in the Note secured in this Mortgage, and shall be due and payable to the Mortgagee on demand.

If all or any part of the property identified on Exhibit A or any interest therein is sold, transferred, or otherwise conveyed (whether by deed, Contract for Deed, lease or otherwise), and whether voluntarily or involuntarily, either while the Mortgagor is living or by reason of the death of the Mortgagor, (excluding the transfer of the Property by operation of the law or devise to a surviving Mortgagor joint tenant or former tenant in common, for so long as said surviving Mortgagor joint tenant, devisee or owner uses the property as residential rental investment property) all installments then remaining unpaid on the Note together with accrued interest will be immediately due and payable. The right to accelerate will not be triggered by a lease of residential rental units for a period of seven years or less. Notwithstanding anything to the contrary therein contained, the loan evidenced by the Note secured by this Mortgage and any other documents securing the same shall not be assigned or transferred by the undersigned for assumption of payments nor summed without the prior written consent of the holder of the Note, which consents shall be at the said holder's sole option and discretion. In the event Mortgagor requests a release of a portion of the lands encumbered by this Mortgage not needed to secure the indebtedness evidenced by the Note, to enable Mortgagor to sell the lands so released; and if Mortgagee determines, in its sole discretion and option, to provide a partial release of this Mortgage for that purpose, the proceeds of sale of such land shall be paid to the Mortgagee and accounted for as prepayment.

8. Mortgagor will pay any other expenses and attorney's fees incurred by Mortgagee by reason of litigation with any third party for the protection of the lien of the Mortgage.
9. Mortgagor hereby makes the following additional covenants and certifications as an inducement and basis and condition to receipt of the loan secured by this Mortgage:
 - a. The Mortgagor has no present intention to sell, assign, or transfer the interest of the Mortgage in said Property to another.
 - b. The proceeds of the Note will be used only for alterations, repairs or improvements on or in connection with the Mortgaged Property.
 - c. Mortgagor has made no material misstatement of fact in connection with Mortgage's application for the loan secured by this Mortgage.

It is expressly agreed that upon Mortgagor's breach of any covenant, agreement, or certification contain in this paragraph 10, the holder of the Note secured by this Mortgage may, at its sole option and discretion, declare the entire principal amount outstanding of the Note and all accrued interest thereon immediately due and payable.

10. In the event that the property described above is subject, as of the date of this Mortgage, to one or more contracts for deed (hereinafter collectively referred to as a "Contract for Deed"), the Vendor on the Contract, by executing this document as provided below, agrees to the following, which shall be considered to amend the Contract for Deed:
 - a. In the event of default by Vendee upon the Contract for Deed, the Vendor shall notify, in writing, the Mortgagee.
 - b. In the event that the Contract for Deed Vendor gives notice of cancellation of the contract to the Vendee, the Vendor shall also provide a copy of the Notice of Cancellation to the Mortgagee, and shall withhold exercising the power of

Mortgagor Initials 

- cancellation for a period of 30 days after giving notice to the Mortgagee in order to afford the Mortgagee the option of either purchasing the Contract for Deed for the principal remaining due on the contract plus interest and redemption costs or, with the written consent of the Vendee, assuming the terms and conditions of said Contract for Deed for the remaining term hereof. Prior to assuming said Contract for Deed, the Mortgagee shall cure any default in said Contract, including paying any costs and expenses provided by law.
- c. The Vendor's failure to give notices as required above shall cause the Contract for Deed to be subordinated to this Mortgage. In the event, and only in the event, that the Contract for Deed is subordinated to this Mortgage by operation of this paragraph, the Vendor conditionally Mortgages, grants, bargains, sells and conveys unto the Mortgagee, its successors and assigns, with power of sale, all parcels of land situated in the County of Itasca, State of Minnesota, described in Exhibit A, together with the hereditaments and appurtenances thereunto. Such Mortgage shall succeed to the interest and obligations to this Mortgage and terms of conditions of this Mortgage shall apply, as if restated herein.
 - d. The conveyance of fee title by Contract Vendor to Mortgagor upon fulfillment of the terms and conditions of the Contract for Deed, and the sale or conveyance by the Contract Vendor of the vendor's interest in said Contract for Deed, shall not be events giving rise to repayment of the loan secured by this Mortgage.
 - e. In the event Mortgagor desires to obtain first Mortgage financing to meet Mortgagor's obligations under the Contract for Deed referred to in this paragraph 11, Mortgagee hereby agrees to subordinate the lien created by this Mortgage for its benefit to said refinancing first Mortgage lien, and to execute any and all instruments reasonably required to effectuate said subordination.
11. Mortgagor hereby irrevocably assigns to the Mortgagee any award or payment which becomes payable by reason of any taking or selling of the Mortgaged property, or any part thereof, either temporarily or permanently, by condemnation or other eminent domain proceedings or by reason of sale under threat thereof, or in anticipation of the exercise of the right of condemnation or other eminent domain proceedings. Mortgagor will file and prosecute in good faith and with due diligence what would otherwise be their claim in any such award or payment and will cause the same to be collected and paid over to the Mortgagee, and the Mortgagor irrevocably authorizes and empowers the Mortgagee, in the name of the Mortgagor or otherwise, to file, prosecute, settle or compromise any such claim and to collect, receipt for and retain the same. The proceeds of the award or payment shall, after deducting all reasonable costs and expenses which may have been incurred by the Mortgagee in the collection thereof, at the sole discretion of the Mortgagee, be released to the Mortgagor applied to the restoration of the Mortgaged property, or applied to the reduction of the indebtedness secured thereby.
 12. In case of any default in this Mortgage, or in the Note secured hereby, the Mortgagor confers upon the Mortgagee the option of declaring the unpaid balance of the Note secured by this Mortgage and the interest accrued thereon, together with all sums advanced hereunder, immediately due and payable without notice, and the Mortgagor hereby authorizes and empowers the Mortgagee to foreclose this Mortgage and to sell the Mortgaged Property at public auction and convey the same to the purchasers in fee simple in accordance with the statute, and out of the monies arising from such sale to

Mortgagor Initials



retain all sums secured hereby, with interest and all legal fee costs and charges of such foreclosure and the maximum attorney's fee permitted by law, which costs, charges and fees the Mortgagor herein agrees to pay.

THE MORTGAGOR AND THE MORTGAGEE FURTHER COVENANT AND AGREE:

1. Mortgagor shall be furnished a conformed copy of this Mortgage and the Note it secures at the time of execution or after recordation.
2. Upon default of any covenant or agreement by Mortgagor under the terms of this Mortgage, Mortgagee prior to foreclosure shall mail notice to Mortgagor as provided herein specifying (I) the nature of the default by the Mortgagor, (II) the action required to cure such default, (III) a date, not less than thirty (30) days from date that the notice is mailed to Mortgagor by which such default must be cured; and (IV) that failure to cure such default on or before the date specified in the notice may result in acceleration of the sums secured by the Mortgage and sale of the Mortgaged Property. The notice shall further inform Mortgagor of the right to reinstate after acceleration and the right to bring court action to assert the nonexistence of a default or any other defense of the Mortgagor to acceleration and sale.
3. In addition to any notice required under applicable law to be given in another manner, (I) any notice to the Mortgagor provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to the Mortgagor at the address of the Mortgaged Property, or at such other address as the Mortgagor may designate by notice to Mortgagee in writing as provided herein, and (II) any notice to the Mortgagee shall be given by certified mail, return receipt requested, to Mortgagee at the following address: **City of Grand Rapids, 420 N Pokegama Ave, Grand Rapids, MN 55744** or to such other address as Mortgagee may designate by notice in writing to the Mortgagor as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Mortgagor or Mortgagee when given in the manner designated herein.

BINDING EFFECT

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural and the plural the singular, and the use of any gender shall be applicable to all genders, and the term "Mortgagee" shall include any payee of the indebtedness hereby secured or any transferee whether by operation of law or otherwise.

IN WITNESS WHEREOF, the parties hereto have executed this Mortgage.

MORTGAGOR (S)

Brittany Adams

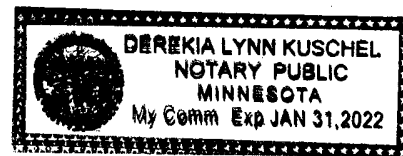
STATE OF MINNESOTA)
) ss
COUNTY OF ITASCA)

On this 18 day of December, 2020, before me a notary public within and for said County, personally appeared Brittany Adams, the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

Dereka Kuschel

Notary Public

(SEAL)



This instrument was drafted by: Itasca County HRA located at 102 NE Third Street; Suite 160, Grand Rapids, MN 55744. Phone # 218-326-7978.

Mortgagor Initials *BA* _____

EXHIBIT A

Attachment to Real Estate Mortgage Dated the 18th Day of December, 2020

Mortgagor(s): Brittany Adams

Legal Description:

**Clover 1st & 2nd Addition to Grand Rapids, Lot 13 Blk 2
28-55-25**

812 Willow Lane
Grand Rapids, MN 55744

Parcel ID: **91-490-0255**

EXHIBIT B

Attachment to Real Estate Mortgage Dated the 18th Day of December, 2020

Mortgagor(s): Brittany Adams

Priority Leases, Liens and Encumbrances:

Roundpoint
PO Box 19409
Charlotte, NC 28219-9409
Loan No: 2005314469