SCHOOLCRAFT COUNTY
ECONOMIC DEVELOPMENT CORPORATION

321 Deer Street
Manistique, MI 49854
Phone (906) 341-5126
Fax (906) 341-5555
Website: schoolcraftedc.com

MORTGAGE LIEN / SUBORDINATION REQUIREMENTS & LIMITATIONS

I understand that I have applied for a 0% interest deferred loan with the Schoolcraft County EDC housing purchase and/or home rehabilitation program. I/We agree and fully understand that if all or any part of our interest in the property is sold, transferred, or otherwise conveyed, voluntarily or involuntarily, either while the Borrower(s) is living or upon the death of the Borrower, or if the property ceases for any other reason to be the Borrower(s) principal place of residence, or if the Borrower defaults in the terms or payment of any other lien now existing against the property, or hereafter incurred, the Borrower(s) shall repay the Lender the entire amount of the original lien or the net proceeds of the sale of the property, whichever is less. *This lien is not forgiven*.

I understand that by accepting the terms of the Schoolcraft County Rehabilitation Loan agreement, I will not be able to refinance my current mortgage for a better interest rate for a period of one year from the signing of the contract.

Further, I understand that the Schoolcraft County EDC will not agree to Subordinate for any remortgage, *except* for a better interest rate at the end of a one year requirement. The Schoolcraft County EDC may agree to Subordinate if the Borrower is remortgaging for improvements to the property and the financial institution can document this to EDC.

I am advised to consult an attorney before signing this documentation, if I have any further questions concerning the limitations of this form.

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Homeowner Signature Date

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Homeowner Signature Date

_____

Laurie L. Jasmin, Program Specialist Date

Michigan Relay Center TDD 1-800-649-3777 (For Hearing Impaired)