

of the

Pioneer Nat'l Title Ins. Co.

P. O. Box 386

581959

City

interest from date at the rate of

Portage, Ind. 46368

in the County of

WITH DEFERRED INTEREST AND

Gary

THIS MORTGAGE, made the 18th

of

day of April Thomas C. Dudley and Billy Gail Dudley, husband and wife

Lake

.A.D. 19 80 , between

and State of Indiana

(hereinafter with their heirs, executors, administrators, and assigns called the mortgagor), and Whitcomb & Keller Mortgage Co., Inc.

a corporation organized and existing under the laws of the state of Indiana (hereinafter with its successors and assigns called the mortgasse).

WITNESSETH: That whereas the mortgagor is justly indebted to the mortgages for money borrowed in the princi sum of Thirty-nine Thousand Seven Hundred Fifty and 00/100-

Dollars (S as evidenced by a certain promissory note of even date herewith, the terms of which are incorporated herein by

payable at the office of per annum on the unpaid balance witil

or at such other place as the holderisy decountry contring in transity to place in the CCCRDING TO SCHEDULE A ATTACHED

the Lake County Recorder the first day of each month thereafter until commencing on the first day of June the principal and interest are fully paid, except that the final payment of the entire indebtedness evidenced thereby, if not sooner paid, shall be due and payable on the first day of May. 2010.

DEFERRAL OF INTEREST MAY INCREASE THE FRINCIPAL BALANCE TO \$43.321.23.

NOW, THEREFORE, THIS INDENTURE WITNESSETH: That the mortgagor, in consideration of the premises, and for the purpose of securing the payment of the money aforesaid and interest thereon according to the tenor and effect of the said promissory note, above mentioned, and also to secure the faithful performance of all the covenants, conditions, stipulations and agreements hereig contained, does by these presents, mortgage and warrant into the mortgages, all the following described lands and premises, situated and being in the City

Lake Station

in the County of

and State of Indiana, to wit:

Parcel I:

of

The South 135 feet of the following described parcel: Part of the Southeast 1/4 of Section 16, Sownship 36 North, Range 7 West of the 2nd Principal Meridian, described as commencing at a point on the North line of said Southeast 1/4 which is 620 feet West of the Northeask corner thereof; thence South parallel to the East line of said Southeast 1/4 a distance of 300 feet; thence West parallel to the said North line 60 feet; thence North parallel to said East line 300 feet; thence East 60 feet to the place of beginning, in the City of East Gary, Lake County, Indiana.

Parcel II:

The South 135 feet of the following described parcel: Part of the Southeast 1/4 of Section 16, Township 36 North, Range 7 West of the 2nd Principal Meridian, described as commencing at a point on the north line of said Southeast 1/4 which is 580 feet West of the Northeast corner thereof; thence South parallel to the East line of said Southeast 1/4 a distance of 300 feet; thence West parallel to the said North line 40 feet; thence North parallel to said East line 300 feet; thence East 40 feet to the place of beginning, in the City of East Gary, Lake County, Indiana.





including all buildings and improvements thereon (or that may hereafter be erected thereon); together with the hereditaments and appurtenances and all other rights thereunto belonging, or in anywise now or bereafter appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all plumbing, heating and lighting fixtures, and equipment now or hereafter attached to or used in connection with said premises,

AND THE MORTGAGOR FURTHER COVENANTS AS FOLLOWS:

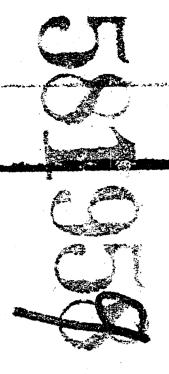
1. That he will pay the indebtedness as provided in said note and this mortgage; and that he is the owner of said premises in fee simple. Privilege is reserved to pay the debt in whole, or in an amount equal to one or more monthly payments on the principal that are next due on the note, on the first day of any month prior to maturity; provided, however, that written notice of an intention to exercise such privilege is given at least thirty (30) days prior to prepayment.

2. That, in order more fully to protect the security of this mortgage, he will pay to the mortgages, together with, and in addition to, the monthly payments under the terms of the note secured hereby, on the first day of each month until the said

note is fully paid, the following sums:

(a) An amount sufficient to provide the holder hereof with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly charge (in lieu of a mortgage insurance premium) if they are held by the Secretary of Housing and Urban Development, as follows:

- (I) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the holder one (1) month prior to its due date the annual mortgage insurance premium, in order to provide such holder with funds to pay such premium to the Secretary of Housing and Urban Development, pursuant to the National Housing Act, as amended, and applicable Regulations thereunder: or
- (II) If and so long as said note of even date and this instrument are held by the Secretary of Housing and Urban Development, a monthly charge (in lieu of a mortgage insurance premium) which shall be in an amount equal to one-twelfth (1/12) of one-half (%) per centum of the average outstanding belance due on the note computed without taking into account delinquencies or prepayments:
- (b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of life and other huzard insurance covering the mortgaged property, plus taxes and assessments next due on the mortgaged property (all as estimated by the mortgagee) less all sums already paid therefor divided by the number of months to elepse before one month prior to the date when such ground rents, premiums, taxes and assessments



will become definquent, such sums to be held by mortgages in trust to pay said ground rents, premiums, taxes, and special assessments; and

(c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid by the mortgagor each month in a single payment to be applied by the mortgages to the following items in the order set forth:

(I) premium charges under the contract of insurance with the Secretary of Housing and Urban Development,

or monthly charge (in lieu of mortgage insurance premium), as the case may be:

(II) ground rents, taxes, special assessments, fire and other hazard insurance premiuses;

(III) interest on the note secured hereby; and (IV) amortization of the principal of said note.

Any deficiency in the amount of such aggregate monthly payment shall, unless made good by the mortgagor prior to the due date of the next such payment, constitute an event of default under this mortgage deed. In the event that any payment shell become overdue for a period in excess of fifteen (15) days, the mortgagor agrees to pay a "late cents (0 \$) (not to exceed four cents (4\$)) for each dollar (\$1) so overdue, for the purpose

charge" of MORR of defraying the expense incident to handling the delinquent payment.

3. That if the total of the payments made by the mortgagor under (b) of paragraph 2 preceding shall exceed the amount of payments actually made by the mortgages for ground rents, taxes or assessments or insurance premiums, as the case may be, such excess, if the loan is current, at the option of the mortgagor, shall be credited on subsequent payments to be made by the mortgagor, or refunded to the mortgagor. If, however, the monthly payments made by the mortgagor under (b) of paragraph 2 preceding shall not be sufficient to pay ground rents, taxes and assessments and insurance premiums, as the case may be, when the same shall become due and payable, then the mortgages any amount necessary to make up the deficiency on or before the date when payment of such ground rents, taxes, assessments or insurance premiums shall be due. If at any time the mortgroot shall tender to the mortgroot, in accordance with the provisions of the note sethe mortgiese shall, in computing the amount of cured hereby, full payment of the engire indebteds such indebtedness, credit to the appropriate the provisions of (a) of paragraph 2 hereof which the mortgages has not become obligated to pay to the Secretary of Housing and Urban Development, and any balance remaining in the funds accumulated under the provisions of the constants 2 hereof. If here shall be a default under any of the provisions of this mortgage resulting in a public sale of the premises covered hereby or if the mortgages acquires the property otherwise after default, the mortgages shall apply, at the time of the commencement of such proceedings or at the time the property is otherwise acquired, the balance then remaining in the funds accumulated under (b) of paragraph 2 preceding as a credit against the amount of principal then remaining unpaid under said note, and shall properly edjust any payments which shall have been made under (a) of said paragraph.

4. That he will pay all taxes, assessments, water rates and other governmental or municipal charges, fines or impositions, for which provision has not been made hereinbefore, and in default thereof the mortgages may pay the same; and that he will

promptly deliver the official receipts therefor to the said mortgages.

5. That he will take responsible care of the mortgaged premiese, and the buildings thereon, and will maintain the same in as good repair and condition as at the original date of this mortgage, ordinary depreciation excepted; and that he will commit

or permit no waste, and do no act which would unduly impair or describe the value of the property or accurity.

6. That he will keep the improvements now existing to be unifer exected on the murtgaged property, insured as may be required from time to time by the mortgague againer loss by fire excitather hexards, casualties and contingencies in such amounts and for such periods as may be required by mortpless, and will pay promptly, when due, any premiums on such insurance for payment of which provision has not been wade beginner ore. All insurance shall be carried in companies approved by mortgages and the policies and renewals thereof that be listed by mortgages and have attached thereto loss payable clauses in favor of and in form acceptable to the morrange. In event of low mortgagor will give immediate notice by mail to mortgagee, and martgagee may make proof of loss if not make promptly by mortgager, and each insurance company concerned is hereby authorized and directed to make payments for such loss directly to mortgages instead of to mortgager and mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured bereby, all right, title and interest of the mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee.

7. That in case proceedings to foreciose this mortgage are instituted, any sums necessarily expended for the continuation of the abstract of title to the above-described real estate, together with interest thereon at the rate set forth in the note

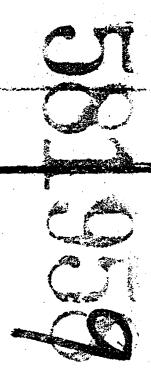
secured hereby, shall become a part of the debt secured by this mortgage and shall be collectible as such.

8. That if default be made in the payment of any of the installments provided for in paragraphs 2 hereof for taxes, assessments, fire and other hazard insurance, and mortgage insurance, or in the event of the failure of the mortgagor to keep the buildings on said premises and those to be crected on said premises, or improvements thereon, in good repair, said mortgages may pay such taxes, assessments, mortgage and hazard insurance, make such repairs as in its discretion it may deem necessary properly to preserve the property and any sums so paid shall be a further lien on such premises under this mortgage, payable forthwith, with interest at the rate set forth in the note secured hereby until paid.

9. That should the proceeds of the loan made by the mortgagee to the mortgagor, the repayment which is hereby secured, or any part thereof, or any amount paid out or advanced by the mortgagee, be used directly or indirectly to pay off, discharge, or satisfy, in whole or in part, any prior lien or encumbrance upon said premises above described, or any part thereof, then the mortgagee shall be subrogated to any additional security held by the holder of such lien or encumbrance.

10. That should any default be made in the payment of the installments provided for in paragraph 2 hereof, or in the performance of any other covenant in this mortgage or in the note secured hereby, when the same is payable or the time of performance has arrived, as above provided, then all the remainder of the aforesaid principal sums with all arrestances of interest, and sums payable pursuant to the provisions bereof, shall, at the option of said mortgagee, become immediately payable, and the mortgagee shall have the right to foreclose this mortgage, anything hereinbefore or in said note contained to the contrary notwithstanding, and any failure to exercise said option shall not constitute a waiver of the right to exercise the same at any other time.

11. That should proceedings to foreclose this mortgage be instituted, the mortgages may apply for the appointment of a receiver (and the mortgagor hereby consents to the appointment of a receiver if there has been any default in the performance of any of the conditions of this mortgage), and such receiver is hereby authorized to take possession of the rest estate above described, collect any rental, accrued or to accrue, whether in money or kind, for the use or occupancy of said premises by any person, firm or corporation, or may let or lesse said premises or any part thereof, receive the renta, income and profits therefrom, and hold the proceeds subject to the orders of the court, or the judge thereof, for the benefit of the mortgages, pending the final decree in said proceedings, and during any period allowed by law for the redemption from any sale ordered in said cause, and said receiver may be appointed irrespective of the value of the mortgaged property or its ade-



quacy to secure or discharge the indebtedness due or to become due or the solvency of the mortgagors. In the event of a default in any of the conditions of this mortgage the mortgages is also expressly given the right to take possession of and hold the murtgaged premises with or without process of law and collect the rents and profits therefrom, applying the same to the charges and payments due under the conditions of the mortgage so long as a default shall continue, and such taking possession shall in no way waive the right of the mortgages to foreclose this mortgages because of a default.

12. That if the premises, or any part thereof, be condemned under any power of eminent domain, or acquired for a public use, the damages, proceeds, and the consideration for such acquisition, to the extent of the full amount of indebtedness upon this mortgage, and the note secured hereby remaining unpaid, are hereby assigned by the mortgager to the mortgages and shall be paid forthwith to the mortgages to be applied by it on account of the indebtedness secured hereby, whether due or not.

13. No sale of the premises hereby mortgaged and no forbearance on the part of the mortgages or its assigns and no extension of the time for the payment of the debt hereby secured given by the mortgages or its assigns shall operate to mease, discharge, modify, change or affect the original liability of the mortgagor herein either in whole or in part.

14. That any person, firm or corporation taking a junior mortgage, or other lein, upon said real estate, shall take the said lien subject to the rights of the mortgagee herein to extend the maturity of the indebtedness hereby secured without obtaining the consent of the holder of said junior lien and without the lien of this mortgage losing its priority over any such junior lien.

15. That in the event the property pledged by this instrument is sold under foreclosure and the proceeds are insufficient to pay the total indebtedness evidenced and secured by this instrument the mortgages will be entitled to a deficiency judgment.

16. The mortgagor further except that should this correspondent the note secured hereby not be eligible for insurance under the National Housing Act within a mouthly from the date hereof (written xiatement of any officer of the Department of Housing and Urban Development or authorized eigent of the Secretary of Housing and Urban Development dated subsequent to the a mouthly time from the date of this mortgage, declining to insure said note and this mortgage, being deemed conclusive troat of such ineligibility), the mortgage or the holder of the note may, at its option, declare all sums accured hereby immediately due and payable.

It is specifically agreed that time is of the emence of this contract and that the waiver of any options, or obligations secured hereby, shall not at any time thereafter be held to be an abandonment of such rights. Notice of the exercise of any option granted to the mortgages herein, or in the note secured hereby, is not required to be given. All sums payable herein shall be without relief from valuation and appraisement laws and with reasonable attorney's fees.

The covenants herein contained shall bind, and the benefits and advantages shall inute to, the respective heirs, executors, administrators, successors and emigns of the parties hereto. Whenever used, the singular number shall include the planal, the

plural the singular, and the use of any gender shall include all genders.

IN WITNESS WHEREOF, The said mortgager has becount out

hand 3 and seed 3

During the 1st note year \$ 340.32

During the 2nd note year \$ 365.85

During the 3rd note year \$ 393.30

During the 4th note year \$ 454.51

During the 5th note year \$ 454.51

During the 6th note year \$ 488.59

and thereafter

The form of this instrument was prepared by the Office of the General Counsel of the Department of Housing and Urban Development, and the material in the blank spaces in the form was inserted by or under the direction of Michael H. Kool

STATE OF INDIANA.

COUNTY OF PORTER

)

, an official

of Porter of April

Before me, the undersigned. Dana M. Shocaroff

County of the State of Indians, on this

Thomas C. Dudley and Billy Gail Dudley

and

day

acknowledged the execution of the foregoing mortgage.

Witness my hand and official seal the day and year last above written.

, 19 an personally appeared

(Official title)

Dana M. Shocaroff, Notary Public

My commission expires

Resident of Porten County

Received for robots this day of

of the records of

19 at O'clock M., County, Indiana.

M., and recorded in Mortgage Ro-

Recorder of

County, Indiana