

RETURN TO: CITY FEDERAL SAVINGS BANK
2001 MIDWEST ROAD
OAK BROOK, IL 60521

889297

Mortgage



THIS MORTGAGE is made this 28th day of January 19 87, between the Mortgagor Frank Miller and Rose Miller, Husband and Wife (herein "Borrower"), and the Mortgagee, CITY FEDERAL SAVINGS BANK, a corporation organized and existing under the laws of THE UNITED STATES OF AMERICA, whose address is Route 202-206, Bedminster, New Jersey 07921 (herein "Lender").

LENDER has established a line of credit in the amount of \$ 34,600.00 for Borrower evidenced by a CITYLINE Credit Agreement and Note dated January 28, 19 87 (the "Agreement"), the terms and provisions of which are incorporated in this Mortgage by reference and which, if not paid sooner, is due and payable in full on January 27, 2017

TO SECURE to Lender repayment of the indebtedness evidenced by the Agreement, with interest on it, and all renewals, extensions and modifications of it; payment of all other sums advanced in accordance with this Mortgage to protect Lender's security, with interest on those sums; and performance of Borrower's covenants and agreements contained in the Agreement and this Mortgage, Borrower mortgages, grants and conveys to Lender the following described property situated in the County of Lake, State of Indiana, known and designated as:

Lot Two Hundred Forty-Eight (248), Lincoln Gardens Eighth subdivision, as shown in Plat Book 37, Page 73 in the Office of the Recorder of Lake County, Indiana.

(A/K/A: 7513 Marshall Plaza, Merrillville, IN)

RICHARD J. BLASTIGK
RECORDER, LAKE COUNTY
GROWN POINT, INDIANA 48307
JAN 29 12 44 PM '87
STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

which has the address of 7513 Marshall Plaza, Merrillville, Indiana 46410 (State) (Street) (City) (Zip Code) ("Property Address");

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, 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 the property (or the leasehold estate if this Mortgage is on a leasehold) are referred to in this Mortgage as the "Property."

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed by this Mortgage and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

THIS IS AN ADVANCE MONEY MORTGAGE. It is understood and agreed that this Mortgage secures present and future obligatory advances made by Lender under the Agreement to or for the benefit of Borrower, and that the lien of future advances up to the Credit Limit set forth in the Agreement shall relate back to the date of recording of this Mortgage and that the lien of advances above the Credit Limit set forth in the Agreement up to any subsequently established Credit Limit shall relate back to the date any amendment of this Mortgage relating to that increase in the Credit Limit is recorded. Pursuant to the Agreement, Borrower may borrow sums under the Agreement from time to time so long as the outstanding principal balance does not at any time exceed the Credit Limit in the Agreement, now set at \$ 34,600.00. Borrower and Lender agree that full repayment of sums outstanding at any time under the Agreement shall not extinguish the Agreement or the security of this Mortgage for amounts which Borrower may subsequently borrow and owe to Lender under the Agreement, so long as Borrower is still entitled at the time of the borrowings to obtain additional advances under the Agreement.

NOTICE: THIS MORTGAGE SECURES AN AGREEMENT WHICH CONTAINS A PROVISION ALLOWING FOR CHANGES IN THE INTEREST RATE. The interest rate will be a) Four percentage points above the 26 Week United States Treasury Bill coupon equivalent rate established at the fourth weekly auction which takes place in the calendar month immediately preceding the first day of each monthly billing cycle (the "Index") or b) n/a percentage points above the Prime Rate defined as the base rate on corporate loans at large United States money center commercial banks and as most recently published in The Wall Street Journal prior to the last business day of the month immediately preceding the first day of each monthly billing cycle (the "Index"). If more than one rate is published, Borrower will be charged the highest rate.

9.50

This means that the interest rate may change each billing cycle. Each change in the interest rate will apply to any principal balance outstanding on the effective date of such change as well as to the future advances. An increase in the Index will increase the Borrower's total interest and the minimum monthly payment due pursuant to the Agreement. Lender reserves the right to, at any time, charge the Borrower a lower rate than the formula might indicate without losing any rights. The interest rate will at no time be reduced below 8.95 %. If the Index is no longer available, Lender will choose a new index which is an interest rate index or a national or regional index that measures the rate of inflation or the rate of change in consumer disposable income.

Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest and Performance of other Covenants in the Agreement.** Borrower shall pay promptly when due the principal, interest and other indebtedness evidenced by the Agreement. Borrower shall perform all other covenants contained in the Agreement.
2. **Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Agreement and Paragraph 1 of this Mortgage shall be applied by Lender first to credit life insurance premiums (where applicable); then to late charges, if any; then to accrued interest payable under the Agreement; then to any applicable penalties and fees, and finally to the principal owed under the Agreement.
3. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this 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 the 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.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender, provided, that such approval shall not be withheld unreasonably. All insurance policies and renewals shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals, subject to the terms of any mortgage, deed of trust 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 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, 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, whether or not then due.

5. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. 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.
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 make such appearances, disburse such sums, including reasonable attorney's fees, and take any action that is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loans secured by this Mortgage, Borrower shall pay the premiums required to maintain the insurance in effect until the time that the requirement for maintaining the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this Paragraph 6 with interest thereon, at the Annual Percentage Rate applicable to loans made pursuant to the Agreement, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, those amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this Paragraph 6 shall require Lender to incur any expense or take any action under 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 inspection specifying a reasonable cause for the inspection which is 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 of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.
9. **Borrower Not Released; Forbearance by Lender Not a Waiver.** Extension of the time for payment or modification of amortization 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 the successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage because of any demand made by 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 right or remedy. Nothing contained in this Paragraph 9 shall be construed as modifying the provisions of Paragraph 15 of this Mortgage.

10. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements contained in this Mortgage shall bind, and the rights under this Mortgage shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 15 of this Mortgage. All promises and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not sign the Agreement, (a) is co-signing this Mortgage, only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage or to waive any marital rights in the Property; (b) is not personally liable on the Agreement or under this Mortgage; and (c) agrees that Lender and other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Agreement without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.
11. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing it by Certified Mail addressed to Borrower at the Property Address or at any other address as Borrower may designate by notice to Lender as provided in this Mortgage, and (b) any notice to Lender shall be given by Certified Mail, return receipt requested, to Lender's address stated in this Mortgage or to any other address as Lender may designate by notice to Borrower as provided in this Mortgage. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner specified in this Mortgage.
12. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. 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 Agreement conflict with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision and, to this end, the provisions of this Mortgage and the Agreement are declared to be severable. As used in this Mortgage, "costs", "expenses" and "attorney's fees" include all sums to the extent not prohibited by applicable law or limited in this Mortgage.
13. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Agreement and this Mortgage at the time of execution or after recordation hereof.
14. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to Property.
15. **Transfer of the Property; Assumption.** If all or any part of the Property or an interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Security Instrument which does not relate to a transfer of rights of occupancy in the property; (b) the creation of a purchase money security interest for household appliances; (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or tenant by the entirety; (d) the grant of any leasehold interest of three years or less not containing an option to purchase; (e) a transfer, in which the transferee is a person who occupies or will occupy the property, which is: (A) a transfer to a relative resulting from Borrower's death; (B) a transfer where Borrower's spouse or child(ren) becomes an owner of the property; or (C) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which Borrower's spouse becomes an owner of the property; or (f) a transfer into an inter vivos trust in which Borrower is and remains the beneficiary and occupant of the property, unless, as a condition precedent to such transfer, Borrower refuses to provide Lender with reasonable means acceptable to it by which it will be assured of timely notice of any subsequent transfer of the beneficial interest or change in occupancy. Lender may, at Lender's option, declare all the sums secured by this Security Instrument to be immediately due and payable.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 11 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by paragraph 17 hereof.

Lender may consent to a sale or transfer if: (1) Borrower causes to be submitted to Lender information required by Lender to evaluate the transferee as if a new loan were being made to the transferee; (2) Lender reasonably determines that Lender's security will not be impaired and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable; (3) interest will be payable on the sums secured by this Security Instrument at a rate acceptable to Lender; (4) changes in the terms of the Agreement and Note and this Mortgage required by Lender are made, including, for example, periodic adjustment in the interest rate, a different final payment date for the loan, and addition of unpaid interest to principal; and (5) the transferee signs an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Agreement and Note and in this Mortgage, if required by Lender. To the extent permitted by applicable law, Lender also may charge a reasonable fee as a condition to Lender's consent to any sale or transfer.

Borrower will continue to be obligated under the Agreement and Note and this Mortgage unless Lender releases Borrower in writing.

16. **Assignment of Rents; Appointment of Receiver; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

After providing notice or after abandonment of the Property, Lender, in person, by agent or by judicially appointed receiver shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.

17. **Acceleration; Remedies.** Except as provided in Paragraph 15 hereof, upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior

to acceleration shall give notice to Borrower as provided in paragraph 11 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, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Borrower to acceleration and foreclosure. 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 foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, attorney's fees permitted by Rules of Court, and costs of abstracts, title reports and documentary evidence.

- 18. **Borrower's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) 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 17 hereof, including, but not limited to reasonable attorney's fees; and (d) 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, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.
- 19. **Release.** Upon payment of all sums secured by this Mortgage and the termination of the Agreement, Lender shall discharge this Mortgage.
- 20. **Interest Rate after Judgment.** Borrower agrees that the interest rate payable after a judgment is entered on the amounts owed under the Agreement or in an action of mortgage foreclosure shall be the rate in effect under the Agreement.
- 21. **Waiver of Valuation and Appraisal.** Borrower hereby waives all right of valuation and appraisal.

**REQUEST FOR NOTICE OF DEFAULT
AND FORECLOSURE UNDER SUPERIOR
MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth at the top of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

Frank Miller
.....
Frank Miller — Borrower

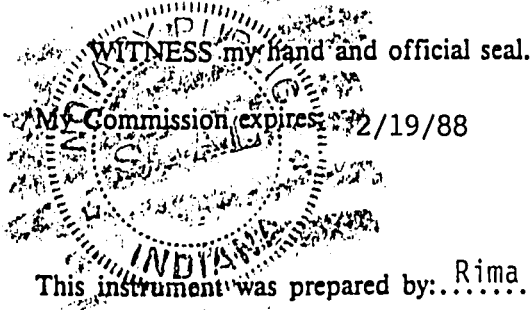
Rose M. Miller
.....
Rose Miller — Borrower

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— Borrower

.....
— Borrower

STATE OF INDIANA, Lake County ss:

On this 28th day of January 19 87 before me, the undersigned, a Notary Public in and for said county, personally appeared Frank Miller and Rose Miller, Husband and wife, and acknowledged the execution of the foregoing instrument.



Dorothy A. Wells
.....
DOROTHY A. WELLS Notary Public
Resident of LAKE County, Indiana.

This instrument was prepared by: Rima Jecius CityConsumer Services
2001 Midwest Rd. Suite 209 Oakbrook, IL 60521

(Space Below This Line Reserved for Lender and Recorder)

**CITY CONSUMER SERVICES INC.
2001 MIDWEST ROAD
SUITE 209
OAK BROOK, IL 60521**