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#1-4012

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After recording return to:

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First Bank of Whiting  
117 E. Joliet Street  
Crown Point, IN 46307

# Real Estate Mortgage

THIS INDENTURE WITNESSETH: THAT Jack R. Lord, as Trustee, under the provisions of a Trust Agreement dated the 2nd day of October, 1981.

hereinafter referred to as "Mortgagor", MORTGAGE AND WARRANT TO: The First Bank of Whiting

hereinafter referred to as "Mortgagee", the following described real estate in .....Lake..... County, Indiana, to-wit:

PARCEL 1: The East half of the Northwest quarter of Section 7, Township 33 North, Range 8 West of the Second P.M. in Lake County, Indiana, but excepting therefrom:

The East 102 feet of the South 288 feet by parallel measure of the Southeast quarter of the Northwest quarter of Section 7, Township 33 North, Range 8 West of the Second P.M., in Lake County, Indiana, AND

The West 59 feet of the East 161 feet of the South 140 feet by parallel measure of the Southeast quarter of the Northwest quarter of Section 7, Township 33 North, Range 8 West of the Second P.M., in Lake County, Indiana.

HICAGO TITLE INSURANCE COMPANY  
INDIANA DIVISION

Without relief from valuation and appraisal laws, and with attorney's fees, all as provided for in said note, to which note reference is hereby specifically made, and all extensions and renewals, and for the further purpose of securing the payment of any and all sums, indebtedness and liabilities of any and every kind now or hereafter owing and to become due from the mortgagor to the mortgagee during the term of this mortgage, howsoever created, incurred, evidenced, acquired or arising, whether under this note or this mortgage or under any other instrument, obligations, contracts or agreements, or dealings of any and every kind hereafter existing or entered into between the mortgagor and the mortgagee and whether direct, indirect, primary, secondary, contingent, together with interest and charges as provided in said note and in any other agreements had by and between the parties herein, and any and all renewals or extensions of any of the foregoing (hereinafter collectively called the "debt"); any and all advances made or indebtedness incurred as hereinafter provided for; and the prompt and faithful performance of any and all provisions hereof.

Mortgagor, for the purpose of inducing the mortgagee to make the loan hereby secured and as further consideration for making of said loan, does expressly represent, warrant, covenant and agree as follows:

1. That he is the owner in fee simple of the hereinbefore described real estate, buildings, improvements, rents and profits and that this instrument is a first lien thereon; that he will pay all obligations secured hereby and all sums payable hereunder promptly when due with reasonable attorney's fees and without relief from valuation and appraisal laws; that he will pay promptly when the same become due all prior and subsequent encumbrances and liens upon said real estate, buildings, and improvements; that he will procure at his own expense for mortgagee all instruments and expend any money which the mortgagee may at any time deem necessary to perfect the mortgagor's title or to preserve the security intended to be given by this mortgage; that if the mortgagee is made a party to any suit, arising out of or in connection with this loan, the mortgagor agrees to pay all reasonable expenses, costs and attorney's fees incurred by mortgagee on account of such suit; that he will keep said buildings and improvements insured against loss or damage by fire, lightning, windstorm and such other hazards as the mortgagee shall at any time demand in a company or companies acceptable to mortgagee for their full insurable value with a proper mortgage clause in favor of mortgagee and will immediately deliver such policies to mortgagee to be held by it until this mortgage is fully discharged; that he will keep all buildings, fences and improvements in good repair and properly painted; that he will pay all taxes, assessments and other governmental impositions levied against the mortgaged property when the same become due and payable; that he will deliver herewith to mortgagee to be retained by it until this mortgage is fully released a guarantee title policy to the mortgaged premises; and that in the event of any default in mortgagor's covenants hereunder he will procure at his expense and deliver to mortgagee a continuation of said guarantee title policy to the date of said default. Said guarantee title policy shall be made by a guarantee title policy company designated by the mortgagee and shall become the property of the grantee under any sheriff's deed issued in connection with proceedings to foreclose this mortgage.

In the event mortgagee requests, the mortgagor, in addition to all sums set forth in the note, agrees to make monthly deposits with the mortgagee, in a non-interest bearing account, at the same times as installments of principal and interest are payable, of a sum equal to one-twelfth (1/12) of the estimated yearly taxes and assessments levied or to be levied against the mortgaged premises and insurance premiums, all as estimated by mortgagee. Such deposits shall be applied by mortgagee to the payment of such taxes, assessments or insurance premiums when due. Any insufficiency of such account to pay such taxes, assessments and insurance premium when due shall be payable by mortgagor on demand. Upon any default under this mortgage, mortgagee may apply any funds in said account to any obligations then due under this mortgage;

2. That upon default by mortgagor in the performance of any of his covenants hereunder, mortgagee may procure the performance thereof and all money expended or obligations incurred with interest thereon at the rate of ..... per cent per annum shall immediately become due and payable by mortgagor and shall be a part of the debt secured hereby of equal priority with all other obligations secured hereby;

3. That the mortgagor will not sell, convey or transfer, either directly or indirectly, the mortgaged premises, or any portion thereof, so long as any part of the indebtedness hereby secured remains unpaid, without first obtaining the written consent of the mortgagee, and that upon a violation of this covenant, or the default by the mortgagor in the performance of any other of his covenants contained herein, the maturity of all obligations and indebtedness secured hereby and all sums payable hereunder shall, at the option of the mortgagee, be accelerated and shall become immediately due and payable, and the mortgagee may foreclose this mortgage or may pursue any or all other legal or equitable remedies afforded by this instrument and any and all other instruments and provisions of law, and any such remedy or remedies so pursued by the mortgagee shall not be exclusive, but shall be cumulative, and the exercise of any remedy or right by the mortgagee shall not operate to bar or abridge the mortgagor's right to pursue any other remedy or remedies. Any delay or failure at any time by the mortgagee to enforce or require performance by the mortgagor of any of the provisions of this mortgage shall in no way affect the right of the mortgagee to enforce the same, nor shall such delay or failure be construed as a waiver by the mortgagee of the right to enforce any of the provisions hereof without notice at any subsequent time, nor shall the waiver by the mortgagee of any breach of any provision hereof be taken to be a waiver of any succeeding breach of any of the provisions hereof nor as a waiver of the provision itself;

RICHARD J. BLASTICK  
RECORDING CLERK  
CROWN POINT, INDIANA  
OCT 12 1981

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of the second P.M. in Lake County, Indiana  
situated quarter of the Northwest quarter of section 1, Township 33 North, Range 8 West  
the West 28 feet of the East 121 feet of the South 140 feet by balance of the  
P.M. in Lake County, Indiana, and  
of the Northwest quarter of section 1, Township 33 North, Range 8 West of the second  
the West 28 feet of the South 140 feet by balance of the  
of the second P.M. in Lake County, Indiana, and  
of the Northwest quarter of section 1, Township 33 North, Range 8 West of the second

together with all rights, privileges, easements and appurtenances thereto belonging; all buildings and improvements now or hereafter placed or erected thereon; and all rents, leases, profits, revenues, issues and income thereof.

THIS MORTGAGE is given to secure the performance of the payment of a certain note, of even date herewith, executed by the Mortgagor and payable to the order of the Mortgagee, at any office of the First Bank of Whiting

In the principal sum of Seventy Eight Thousand and no/100-----Dollars (\$78,000.00), with interest thereon, as provided in said note, as well as any extensions, modifications, or renewals thereof.

Without relief from valuation and appraisement laws, and with attorney's fees, all as provided for in said note, which note reference is hereby specifically made, and all extensions and renewals, and for the further purpose of securing the payment of any and all sums, indebtedness and liabilities of any and every kind now or hereafter owing and to become due from the mortgagor to the mortgagee during the term of this mortgage, howsoever created, incurred, evidenced, acquired or arising, whether under this note or this mortgage or under any other instrument, obligations, contracts or agreements, or dealings of any and every kind hereafter existing or entered into between the mortgagor and the mortgagee and whether direct, indirect, primary, secondary, contingent, together with interest and charges as provided in said note and in any other agreements had by and between the parties herein, and any and all renewals or extensions of any of the foregoing (hereinafter collectively called the "debt"); any and all advancement made or indebtedness incurred as hereinafter provided for; and the prompt and faithful performance of any and all provisions hereof.

Mortgagor, for the purpose of inducing the mortgagee to make the loan hereby secured and as further consideration for the making of said loan, does expressly represent, warrant, covenant and agree as follows:

1. That he is the owner in fee simple of the hereinbefore described real estate, buildings, improvements, rents and profits and that this instrument is a first lien thereon; that he will pay all obligations secured hereby and all sums payable hereunder promptly when due with reasonable attorney's fees and without relief from valuation and appraisement laws; that he will pay promptly when the same become due all prior and subsequent encumbrances and liens upon said real estate, buildings, and improvements; that he will procure at his own expense for mortgagee all instruments and expend any money which the mortgagee may at any time deem necessary to perfect the mortgagor's title or to preserve the security intended to be given by this mortgage; that if the mortgagee is made a party to any suit, arising out of or in connection with this loan, the mortgagor agrees to pay all reasonable expenses, costs and attorney's fees incurred by mortgagee on account of such suit; that he will keep said buildings and improvements insured against loss or damage by fire, lightning, windstorm and such other hazards as the mortgagee shall at any time demand in a company or companies acceptable to mortgagee for their full insurable value with a proper mortgage clause in favor of mortgagee and will immediately deliver such policies to mortgagee to be held by it until this mortgage is fully discharged; that he will keep all buildings, fences and improvements in good repair and properly painted; that he will pay all taxes, assessments and other governmental impositions levied against the mortgaged property when the same become due and payable; that he will deliver herewith to mortgagee to be retained by it until this mortgage is fully released a guarantee title policy to the mortgaged premises; and that in the event of any default in mortgagor's covenants hereunder he will procure at his expense and deliver to mortgagee a continuation of said guarantee title policy to the date of said default. Said guarantee title policy shall be made by a guarantee title policy company designated by the mortgagee and shall become the property of the grantee under any sheriff's deed issued in connection with proceedings to foreclose this mortgage.

In the event mortgagee requests, the mortgagor, in addition to all sums set forth in the note, agrees to make monthly deposits with the mortgagee, in a non-interest bearing account, at the same times as installments of principal and interest are payable, of a sum equal to one-twelfth (1/12) of the estimated yearly taxes and assessments levied or to be levied against the mortgaged premises and insurance premiums, all as estimated by mortgagee. Such deposits shall be applied by mortgagee to the payment of such taxes, assessments or insurance premiums when due. Any insufficiency of such account to pay such taxes, assessments and insurance premium when due shall be payable by mortgagor on demand. Upon any default under this mortgage, mortgagee may apply any funds in said account to any obligations then due under this mortgage;

2. That upon default by mortgagor in the performance of any of his covenants hereunder, mortgagee may procure the performance thereof and all money expended or obligations incurred with interest thereon at the rate of 21 per cent per annum shall immediately become due and payable by mortgagor and shall be a part of the debt secured hereby of equal priority with all other obligations secured hereby;

3. That the mortgagor will not sell, convey or transfer, either directly or indirectly, the mortgaged premises, or any portion thereof, so long as any part of the indebtedness hereby secured remains unpaid, without first obtaining the written consent of the mortgagee, and that upon a violation of this covenant, or the default by the mortgagor in the performance of any other of his covenants contained herein, the maturity of all obligations and indebtedness secured hereby and all sums payable hereunder shall, at the option of the mortgagee, be accelerated and shall become immediately due and payable, and the mortgagee may foreclose this mortgage or may pursue any or all other legal or equitable remedies afforded by this instrument and any and all other instruments and provisions of law, and any such remedy or remedies so pursued by the mortgagee shall not be exclusive, but shall be cumulative, and the exercise of any remedy or right by the mortgagee shall not operate to bar or abridge the mortgagee's right to pursue any other remedy or remedies. Any delay or failure at any time by the mortgagee to enforce or require performance by the mortgagor of any of the provisions of this mortgage shall in no way affect the right of the mortgagee to enforce the same, nor shall such delay or failure be construed as a waiver by the mortgagee of the right to enforce any of the provisions hereof without notice at any subsequent time, nor shall the waiver by the mortgagee of any breach of any provision hereof be taken to be a waiver of any succeeding breach of any of the provisions hereof nor as a waiver of the provision itself;

COMPANY  
RICHARD J. BLASTICK  
REGISTERED BANK COVENTRY  
CROWLEY & COMPANY  
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4. That upon default by mortgagor in his covenants hereunder, this mortgage shall be construed to embrace an assignment to mortgagee of all rents, profits and issues arising from the mortgaged premises and mortgagee shall be entitled to collect the same and to deduct its' reasonable charges for its services in so doing, and to apply the balance thereof upon the obligations secured hereby. Upon the commencement of any action by mortgagee to enforce or protect any of its rights hereunder, mortgagee shall be entitled to the appointment of a Receiver to take possession of and protect the mortgaged premises, to collect the rents, earnings, income, issues and profits thereof or therefrom and make proper application of the same, to operate any business run by mortgagor on the mortgaged premises, and the right to such appointment shall in no manner be dependent upon the solvency or insolvency of any mortgagor liable herein or upon the then value of the mortgaged premises. The mortgagor hereby irrevocably consents to such appointment and waives notice of any application therefor. Mortgagee shall have the further right to inspect the books and records of the mortgagor at any reasonable time, or times, while the mortgagor is in default of any of the terms, restrictions, conditions or covenants hereof;

5. That all parties now or hereafter liable hereon, or upon any obligations secured hereby, consent to extensions of time of payment without notice or consent on their part, and the mortgagee at its option may extend the time for the payment of said indebtedness, or reduce the payments thereon, or accept a renewal note or notes therefore without the consent of any junior lien holder, No notice of the exercise of any right or option granted to the mortgagee in this, or any instruments secured hereby, is required to be given. Any extension, reduction or renewals shall not release the mortgagor or any endorser or guarantor from liability for such indebtedness, or affect the priority of this mortgage over any junior lien or impair the security thereof in any manner whatsoever. It is expressly agreed that time is of the essence hereof, and that if this mortgage be executed by more than one mortgagor, every agreement herein contained shall be the joint and several obligation of the mortgagors.

6. That all parties now or hereafter liable hereon, or upon any obligations secured hereby, consent and agree that the within mortgage shall constitute a valid lien and security for any and all additional advancements made or other indebtedness incurred by and between the said parties, in an amount not to exceed Fifteen Hundred (\$1500.00) Dollars, which lien and security shall be valid and subsisting against subsequent purchasers or encumbrances with notice, actual or constructive;

7. That in the event that any payment provided for in the note secured hereby shall become overdue for a period in excess of ten days, the mortgagor agrees to pay, to the extent that it is lawful, a "late charge" of 5¢ of each \$1.00 of each installment so overdue, for the purpose of defraying the expense incident to handling the delinquent payment, provided that no such "late charge" shall exceed ..... and only one "late charge" shall be collected for any one delinquent installment.

The forms of I, HE, SHE, IT, in any case or number, or their compound forms, with self or selves, when used in this mortgage or in the obligations secured hereby, shall, if the context requires, be construed as synonymous each with the other, and the singular when used herein shall under like requirements be construed to embrace the plural and the plural the singular.

IN WITNESS WHEREOF, the mortgagor has hereunto set his hand and seal this 3rd day of March, 1987.  
Jack R. Lord, as Trustee, under the provisions of a Trust Agreement dated the 2nd day of October, 1981. (SEAL) ..... (SEAL)  
*Jack R. Lord* (SEAL) ..... (SEAL)  
Jack R. Lord, as Trustee

STATE OF INDIANA      Lake } ss:  
COUNTY OF

Before me, the undersigned, a Notary Public in and for said County and State, this 3rd day of March, 1987, came Jack R. Lord, as Trustee, under the provisions of a Trust Agreement dated the 2nd day of October, 1981.

and acknowledged the execution of the annexed instrument.

WITNESS MY HAND and Official Seal

*Elaine VanDenburgh*  
Elaine VanDenburgh  
Res: Lake  
Notary Public

My Commission Expires 2/13/90

This instrument prepared by R. Loren Pease, 2nd Vice President, First Bank of Whiting.

STATE OF INDIANA      } ss:  
COUNTY OF

On this ..... day of ....., 19....., personally appeared before me, a Notary Public in and for said County and State, ..... and ....., respectively

..... president and ..... secretary of .....

who acknowledged the execution of the annexed mortgage as such officers for and on behalf of said corporation.

WITNESS MY HAND and Official Seal.

.....  
Notary Public

My Commission Expires .....

## ADJUSTABLE RATE RIDER

THIS ADJUSTABLE RATE RIDER is made this 3rd day of March, 1987, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note to The First Bank of Whiting, Whiting, Indiana (the "Lender") of the same date (the "Note") and covering the property described in the Security Instrument and located at:

PARCEL 1: The East half of the Northwest quarter of Section 7, Township 33 North, Range 8 West of the Second P.M. in Lake County, Indiana, but excepting therefrom:

The East 102 feet of the South 288 feet by parallel measure of the Southeast quarter of the Northwest quarter of Section 7, Township 33 North, Range 8 West of the Second P.M., in Lake County, Indiana, AND

The West 59 feet of the East 161 feet of the South 140 feet by parallel measure of the Southeast quarter of the Northwest quarter of Section 7, Township 33 North, Range 8 West of the Second P.M., in Lake County, Indiana.

PARCEL 2: That part of the East 60 acres of the Southeast quarter of Section 27, Township 34 North, Range 8 West of the 2nd P.M., lying Westerly of the Westerly line of State Highway I-65 more particularly described as follows: Beginning at the intersection of the Westerly line of the 230 foot wide Right-of-way of State Highway I-65 with the South line of said Section 27, which point is 503.6 feet West of the Southeast corner of said Section 27; thence North 16 degrees 36 minutes West along the Westerly right of way line of State Highway I-65 a distance of 1694.1 feet to the West line of the East 60 acres of the Southeast Quarter of said Section 27; thence Southerly along said West line of the East 60 acres to the South line of said Section 27; thence North 89 degrees 45 minutes East along the South line of said Section 27 to the point of beginning, in Lake County, Indiana. (See attached sheet describing Parcel 3 and 4)

The Note contains provisions allowing for changes in the interest rate. If the interest rate increases, the Borrower's payments will be higher. If the interest rate decreases, the Borrower's payments will be lower.

ADDITIONAL COVENANTS. In addition to the covenant and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

### A. INTEREST RATE AND PAYMENT CHANGES

The Note provides for an initial interest rate of 10.75 %.

### 4. INTEREST RATE AND PAYMENT CHANGES

#### (A) Change Dates

The interest rate I will pay may change on the 3rd day of March, 1990, and on that day of the month every 36 months thereafter. Each date on which my interest rate could change is called a "Change Date."

#### (B) The Index

Beginning with the first Change Date, my interest rate will be based on an "Index." The Index is the weekly average yield on United States Treasury securities adjusted to a constant maturity of Three years, as made available by the Federal Reserve Board. The most recent Index figure available as of 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of its choice.

#### (C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding Four percentage points (4.0 %) to the Current Index. The sum will be my new interest rate.

The Note Holder will then determine the amount of the payment that would be sufficient to repay in full the principal I am expected to owe on the Change Date in substantially equal payments by the maturity date at my new interest rate. The result of this calculation will be the new amount of my payment.

Continued from Page 1.

PARCEL 3: The West 20 acres of the East Half of the Southeast Quarter of Section 27, Township 34 North, Range 8 West of the Second Principal Meridian, in Lake County, Indiana.

PARCEL 4: The West Half of the Southeast Quarter of Section 27, Township 34 North, Range 8 West of the Second Principal Meridian in Lake County, Indiana, excepting that part of the Northwest Quarter of the Southeast Quarter of Section 27, Township 34 North, Range 8 West of the Second Principal Meridian, more particularly described as follows:

Commencing at a point 816 feet East of the Northwest corner of the above said Southeast Quarter thence South parallel with the West line of said Southeast Quarter a distance of 305 feet, thence East 50 feet, thence South Parallel with the West line of said Southeast Quarter a distance of 250 feet, thence East 250 feet, thence North 555 feet, thence West 300 feet to the place of beginning, in Lake County, Indiana, and also excepting part of the Northwest Quarter of the Southeast Quarter of Section 27, Township 34 North, Range 8 West of the Second Principal Meridian, more particularly described as follows:

Commencing at point 816 feet East and 305 feet South of the Northwest corner of the above said Southeast Quarter, thence South parallel with the West line of said Southeast Quarter a distance of 250 feet, thence East 50 feet, thence North 250 feet, thence West 50 feet to the place of beginning in Lake County, Indiana, subject to the right of way of Interstate Highway I-65.

#### **(D) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new payment beginning on the first payment date after the Change Date until the amount of my payment changes again.

#### **(E) Notice of Changes**

The Note Holder will mail or deliver to me a notice before each Change Date. The notice will advise me of:

- (i) the new interest rate on my loan as of the Change Date;
- (ii) the amount of payment following the Change Date;
- (iii) any additional matters which the Note Holder is required to disclose; and
- (iv) the title and telephone number of a person who will answer any questions I may have regarding the notice.

#### **B. CHARGES; LIENS**

Uniform Covenant 4 of the Security Instrument is amended to read as follows:

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, and other charges, fines and impositions attributable to the Property which may attain a priority over this Security Instrument, and leasehold payments or ground rents, if any, in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument; however, Borrower shall not be required to discharge any such lien so long as Borrower: (a) shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender; (b) shall in good faith contest such lien by, or defend against enforcement of such lien in, legal proceedings which in the opinion of Lender operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof; or (c) shall secure from the holder of such lien an agreement in a form satisfactory to Lender subordinating such lien to this Security Instrument.

If Lender determines that all or any part of the Property is subject to a lien which may attain a priority over this Security Instrument, Lender shall give Borrower a notice identifying such lien. Borrower shall satisfy such lien or take one or more of the actions set forth above within ten days of the giving of the notice.

#### **C. NOTICE**

Uniform Covenant 14 of the Security Instrument is amended to read as follows:

**14. Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by first class mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

#### **D. UNIFORM SECURITY INSTRUMENT; GOVERNING LAW; SEVERABILITY**

Uniform Covenant 15 of the Security Instrument is amended to read as follows:

**15. Uniform Security Instrument; Governing Law; Severability.** This form of Security Instrument combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Security Instrument and the Note are declared to be severable.

#### **E. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

Uniform Covenant 17 of the Security Instrument is amended to read as follows:

17. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or an interest therein is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at Lender's option, declare all the sums secured by this Security Instrument to be immediately due and payable. However, this option shall not be exercised by Lender if exercise is not authorized by Federal law.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration in accordance with paragraph 14 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 18 hereof.

Notwithstanding a sale or transfer, Borrower will continue to be obligated under the Note and this Security Instrument unless Lender has released Borrower in writing.

#### F. LOAN CHARGES

If the loan secured by the Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits, then: (1) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit and (2) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

**IN WITNESS WHEREOF, BORROWER HAS EXECUTED THIS ADJUSTABLE RATE RIDER.**

Jack R. Lord, as Trustee, under the provisions of  
a Trust Agreement dated the 2nd Day of October, 1981.  
Jack R. Lord (Seal)  
Jack R. Lord, as Trustee Borrower

Marjorie L. Heckel (Seal)  
Marjorie L. Heckel, as Trustee, under the provisions  
of a Trust Agreement dated the 2nd Day of October, 1981.  
(Seal)  
Marjorie L. Heckel, as Trustee Borrower