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TEDD HENSCHLER and CYNTHIA P. HENSCHLER

This indenture witnesseth that _____ as Mortgagor, of _____ Lake _____ County, City of _____ Dyer _____ State of Indiana, Mortgages and Warrants to Mellon Financial Services Corporation (Mellon), doing business at 8841 W. 159th Street, City of Orland Hills, County of Cook, State of Indiana, the real estate located in LAKE _____ County, Indiana, commonly known as 655 Hillside Dr., Dyer, and more fully described in Exhibit A, attached hereto and incorporated herein by reference, as well as the rents, profits and any other income which may be derived therefrom, and fixtures or improvements which may subsequent to the execution hereof become attached to or a part of said real estate, to secure the performance of all conditions and stipulations of this agreement and:

3 * Eight Thousand, Seven Hundred, Seventy and 00/100 dollars*

1. To secure the payment, when payment becomes due, of the indebtedness of even date herewith known as a Revolving Loan Agreement (Agreement) in which the Mortgagor is the Maker and Mellon is the Payee. The Agreement is in the initial amount of * see above _____ dollars (\$8,770.00), and it carries an initial interest rate of Twelve per cent (12.00 %) per year computed monthly during such period when there shall be no delinquency or default in the payment of any moneys to paid on the Agreement but with the penalties set forth in the Agreement when there shall be any delinquency or default in the payment of any moneys to be paid on the Agreement, which interest rate is adjustable pursuant to the terms of the aforementioned Agreement, all without relief from Valuation and Appraisal Laws, and with attorney fees, costs and expenses of collection or enforcement.

2. To secure advances made by Mellon to Mortgagor in amounts over and beyond the amount stated above as the initial amount, payable under the terms of the Agreement referred to above, as well as those amounts advanced to Mortgagor under the terms of other Agreements which may from time to time be executed by Mortgagor and payable to Mellon, which later Agreements are annexed hereto by reference, the security for which shall relate back to the date of the execution of this Mortgage and shall be encompassed by the security contained herein under the terms contained herein.

3. To secure the renewal or extension of any indebtedness referred to herein.

4. To secure all indebtedness or liabilities incurred by Mellon for the protection of this security or for the collection of this Mortgage.

Payment of Taxes and Other Charges: Mortgagor shall pay all real estate taxes, water and sewer rents, other similar claims and liens assessed or which may be assessed against the subject property or any part thereof, without any deduction or abatement. All such payments shall be made on or before the date they become due, with any interest or penalty thereupon due to late payment being the obligation of the Mortgagor. Upon the payment of the foregoing obligations, Mortgagor shall provide Mellon with proof of payment.

Insurance Obligation: Mortgagor shall procure, deliver to, and maintain for the benefit of Mellon during the life of this Mortgage and until the same is fully satisfied and released, a policy or policies of insurance insuring the buildings and improvements now existing or hereafter erected on the said property against loss or damage by fire, lightning, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles, smoke, and such other hazards, casualties, and contingencies as Mellon may designate, including liability coverage sufficient to protect the interests of Mellon. All policies of insurance required hereunder shall be in such form and amounts and by such companies as Mellon may accept, and shall contain a mortgagee clause acceptable to Mellon, with loss payable to Mellon and Mortgagor as their interests may appear. Mortgagor will promptly pay when due any premiums on any policy or policies of insurance required hereunder, and will deliver to Mellon renewals thereof at least ten (10) days before the expiration thereof, the said policies and renewals to marked "paid" by the issuing company or agent.

In the event of any loss or damage, Mortgagor will give prompt notice thereof to Mellon. All proceeds of insurance in the event of such loss or damage shall be payable jointly to Mortgagor, its successors and assigns, and Mellon. All funds will be utilized by Mortgagor to the extent necessary to restore the premises to substantially the same condition as they existed prior to the loss or damage, unless Mortgagor shall elect not to do so, in which case all of said proceeds shall be applied to the then existing indebtedness and the balance thereof shall be paid to Mortgagor.

Waste and Maintenance of Premises: Mortgagor shall abstain from and not permit the commission of waste in or about the premises; shall not remove or demolish, or alter the structural character of, any building at any time erected on the premises without the prior written consent of Mellon; and shall maintain the premises in good condition and repair, reasonable wear and tear excepted. Mellon shall have the right, but not the duty, to enter upon the premises at any reasonable time to inspect the order, condition, and repair thereof, including the interiors of any buildings and improvements located thereon.

Tax and Insurance Fund: Without limiting the effect of the foregoing, Mellon may at its option require Mortgagor to create a tax and/or insurance fund. Should this option be exercised, Mortgagor shall pay to Mellon monthly at the time when such monthly payments for principal and interest are due and payable, an amount equal to one-twelfth (1/12) of the annual premiums for such insurance as is required herein and such annual real estate taxes, assessments, claims, liens, etc. which may at any time be or become a lien upon the premises prior to the lien of this mortgage, and on demand from time to time shall pay to Mellon additional sums necessary to pay such premiums and other payments, all as estimated by Mellon, the amounts so paid to be security for such premiums and other payments and to be used for the payment thereof. Funds collected hereunder shall be deemed trust funds, but they shall accrue no

interest payable to Mortgagor. If, pursuant to the terms of this Mortgage, the whole amount of said principal debt remaining becomes due and payable, Mellon shall have the right at its election to apply amounts held against the entire indebtedness secured hereby.

Payment of Future Taxes: If at any time this Mortgage or the Agreement or Agreements secured by it should become taxable under the authority of the United States, the State of Indiana, or any other state or subdivision thereof, said taxes shall be paid by Mortgagor; should Mortgagor fail to pay said taxes within fifteen (15) days or when they are due, Mellon may pay said taxes and add the amount so paid to the principal indebtedness evidenced by the Agreement or Agreements secured hereby, bearing interest at the highest rate then being charged under the terms of said Agreement or Agreements.

Condemnation: Any award or payment received by Mortgagor for the temporary or permanent taking of any part of but less than all of the premises by condemnation proceedings or by the right of eminent domain shall be payable jointly to Mortgagor and Mellon. Said award shall first be applied to the restoration or repair of the premises as caused by said taking. Thereafter, Mellon shall receive that proportion of the award that it shall bear to the amounts secured hereby. The amount so payable to Mellon shall be applied to then existing balance then due. The remaining portions of said award shall be payable to Mortgagor.

Should all of the premises be taken or acquired by condemnation or by right of eminent domain, any award or payment therefore shall be paid to Mellon for application against the then existing balance and any remaining portion of the award shall be retained by Mortgagor.

Compliance with Ordinances: Mortgagor shall comply with all ordinances affecting the premises; provided, however, that if Mortgagor shall in good faith, and by proper legal action, contest any such ordinance or the validity thereof, then this requirement shall be abated during the pendency of that challenge so long as said challenge operates to prevent enforcement and is maintained and prosecuted with diligence and shall not have been terminated or discontinued adversely to Mortgagor.

Events of Default: The following shall constitute events of default hereunder:

- a) the failure of the Mortgagor to pay any installment of principal or interest or any other sum required to be paid under the terms of the Agreement of or this Mortgage when the same is due;
- b) the failure of the Mortgagor to perform any covenant or agreement contained in the Agreement or this Mortgage; or
- c) any assignment for the benefit of Mortgagor's creditors, or other proceedings intended to liquidate or rehabilitate the Mortgagor's estate, or the Mortgagor's becoming insolvent within the meaning of the federal Bankruptcy code, or the Mortgagor's seeking reorganization or protection thereunder.

Foreclosure on Default: Should there occur an event of default, Mellon may, at its option, declare all the debt due and payable and institute such proceedings as may be necessary to protect its interests, and any failure to exercise said option shall not constitute a waiver of the right to exercise said right at a later date. In the event any proceedings shall be instituted on any other lien or encumbrance against the real estate, then Mellon may immediately declare this mortgage due and payable and institute such proceedings as may be necessary to protect its interests. Should foreclosure proceedings be undertaken hereunder, Mellon is hereby authorized to undertake a reasonable title search at the expense of the Mortgagor for purposes of effecting the foreclosure, with the costs thereof, along with interest at the highest rate charged in any Agreement secured hereby, being added to the debt secured hereby and collectable as such. The product of such a title search shall be the property of Mellon. In the event of a foreclosure, Mellon may apply for a receiver who is hereby authorized to take possession of the subject real estate, collect the rents, income or profit from it, and hold the proceeds subject to the order of the court for the benefit of Mellon pending the foreclosure proceedings. Said appointment may be made irrespective of the value of the mortgaged property or its adequacy to secure or discharge the indebtedness due or to become due.

Construction: The words Mortgagor and Mellon include singular or plural, individual or corporation, and the respective heirs, personal representatives, executors, administrators, successors, and assigns of Mortgagor and Mellon as the case may be. The use of any gender applies to all genders. If more than one party is named as Mortgagor, the obligation hereunder of each such party is joint and several.

Severability: Should any one or more of the provisions contained in this Mortgage for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Mortgage shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Dated this Fourteenth day of August, 1987

TEDD HENSCHLER, HUSBAND AND CYNTHIA P. HENSCHLER, WIFE

by: Tedd Henschler HUSBAND Cynthia P Henschler WIFE
name of Mortgagor
name and title

State of ILLINOIS
County of Cook) ss:

Before me, the undersigned, a Notary Public in and for said County and State, this 14th day of August, 1987 personally appeared Mortgagor ~~by~~ Tedd Henschler HUSBAND Cynthia P Henschler WIFE and acknowledged the execution of the foregoing mortgage, and after being duly sworn, stated that the representations made therein are true. In witness whereof, I have hereunto subscribed my name and affixed my official seal.

My Commission Expires: 1/7/91
My County of Residence: Ill

Notary Public
"OFFICIAL SEAL"
Thomas E. Stark
Notary Public, State of Illinois
My Commission Expires: 1/7/91

This instrument prepared by: Susann M. Thyberg, Customer Service Representative
name and title
8841 W. 159th Street, Orland Hills, ILL, 60477
address

under the direction of Robert Balfour, Counsel for
Mellon Financial Services Corporation.

EXHIBIT "A"

LEGAL DESCRIPTION:

Being a part of Lot 75, Hawthorne Hills Addition to the Town of Dyer, as recorded in Plat Book 45, page 93 in the Office of the Recorder of Lake County, Indiana, and being more particularly described as follows: Beginning at the Northeast corner of Lot 75 in the aforesaid Addition; thence South $0^{\circ} 04' 29''$ West, along the East line of said Lot 75, a distance of 230.0 feet to the Northeast corner of Lot 66 in said Addition; thence North $89^{\circ} 28' 30''$ West, along the North line of said Lot 66, a distance of 170.0 feet to the Northwest corner of said Lot 66; thence North $6^{\circ} 05' 27''$ East, along the Northerly projection of the West line of said Lot 66, a distance of 231.08 feet to a point on the North line of said Lot 75; thence South $89^{\circ} 28' 30''$ East, along the North line of said Lot 75, a distance of 145.78 feet to the point of beginning, containing 0.8336 acres, more or less, all in the Town of Dyer, Lake County, Indiana.