

Return to:
First American Title Insurance Company
5265 Commerce Drive
Crown Point, Indiana 46307

006911 CONSTRUCTION MORTGAGE

FA 1735

THIS LOAN IS PAYABLE IN FULL AT THE END OF SIX (6) MONTH(S). YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL THEREFORE BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS YOU MAY OWN, OR YOU WILL HAVE TO FIND A LENDER WILLING TO LEND YOU THE MONEY AT PREVAILING MARKET RATES, WHICH MAY BE CONSIDERABLY HIGHER OR LOWER THAN THE INTEREST RATE ON THIS LOAN. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN, EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER.

THIS MORTGAGE made this 8th day of November 1988, between CALUMET NATIONAL BANK AS TRUSTEE UNDER A CERTAIN TRUST AGREEMENT DATED SEPTEMBER 25, 1987, KNOWN AS TRUST NUMBER P-3454, (hereinafter called "Mortgagor"), and AMERICAN NATIONAL BANK OF LANSING, a national banking association, (hereinafter called "Mortgagee"):

WITNESSETH, that to secure payment of indebtedness in the sum of FOUR HUNDRED FORTY THOUSAND AND 00/100 (\$ 440,000.00) Dollars, lawful money of the United States, according to a Promissory Note of even date herewith, payable to the order of Mortgagee at its place of business in Lansing, Illinois or at such other place as the holder of said Note may from time to time in writing designate, by which Note the said Mortgagor promises to pay the principal sum thereof with interest at the rate of TEN AND THREE FOURTHS (10.75%) percent per annum as follows:

Interest only shall be payable on January 1, 1989, on the amount disbursed. Interest shall be computed from the date of each disbursement at the rate of ten and three fourths percent (10.75%) annum.

Interest only shall be payable on the first day of each month thereafter, for the term of the obligation on the principal amount disbursed or outstanding during the previous months.

Now this Mortgage witnesseth that Mortgagor, in consideration of the extension of said credit by said Mortgagee to the Mortgagor upon the Promissory Note described herein, and to secure payment thereof in accordance with the terms and provisions of the said Note and the performance of the covenants and agreements herein contained, and in consideration of the sum of TEN DOLLARS (\$10.00) paid by Mortgagee to Mortgagor, the receipt whereof is hereby acknowledged, Mortgagor does hereby give, warrant, bargain and convey unto AMERICAN NATIONAL BANK OF LANSING, its successors and assigns, the following real estate, to wit:

Lots 11 and 12 in Briar Ridge Country Club Addition Block two of Unit 6, a planned unit development to the Town of Schererville, as per plat thereof, recorded in Plat Book 61 page 8, in the Office of the Recorder of Lake County, Indiana.

Commonly known as: 101 Carnoustie Lane and 105 Carnoustie Lane, Schererville, IN 46375.

Tax Number: 13-400-11 and 13-400-12

TOGETHER with all fixtures appurtenant thereto, insofar as they now are or may hereafter belong to or be used with the said real estate or the buildings thereon, it being the intention of the parties hereto that, whether or not attached to said real estate, all appliances, apparatus, equipment, articles and things owned by Mortgagor and now or hereafter in, upon or used in connection with said real estate, to maintain or enjoy the same or to produce, supply, utilize, distribute, or control by single unit or otherwise, heat, light, power, water, gas, electricity, refrigeration, sanitation, ventilation, air conditioning, cooling or circulation, or to dispose of or treat refuse, or to cool,

SUBJECT TO TRUSTEE'S EXPLANATION ATTACHED HERETO AND MADE A PART THEREOF

FOR Assign of Deeds
SEE DOC. # 006912

RECORDED
MAY 1 1989
2 45 PM '89
LILLIAN A. BLASTON
RECORDER, LAKE COUNTY
INDIANA 46307

1700

heat or treat water, including but without restricting the foregoing, whether physically attached thereto or not, and shall be a part of the security for the debt herein mentioned, and shall be covered by this mortgage, and together with all and singular the buildings and improvements, whether now or hereafter erected, tenements, hereditaments, privileges, easements and appurtenances thereto now or hereafter belonging and the rents, issues and profits thereof (which are pledged primarily and on a parity with said real estate and not secondarily) and also all the estate, right, title and interest of the Mortgagor in and to the said real estate, TO HAVE AND TO HOLD, the real estate unto Mortgagee, it successors and assigns, forever, for the purposes herein set forth.

All of the foregoing collectively shall be deemed to be and shall be hereinafter referred to as the "premises."

This Mortgage is given to secure the repayment of the principal and interest of the Promissory Note more fully hereinabove described.

This Mortgage shall also secure additional loans hereafter made by the then holder of the note secured hereby to Mortgagor. Nothing herein contained shall imply any obligation on the part of any holder of said note to make any such additional loan.

And Mortgagor hereby expressly covenants and agrees as follows:

1. That the above recited debt and interest thereon shall be paid when and as it becomes due whether in course or under any covenant or agreement herein or therein contained.

2. Until the debt is fully paid, to pay all general taxes before penalty attaches hereto, and to pay when due all special taxes and assessments, water and sewer service charges, and other charges which may become a lien against the premises; to prevent default hereunder, Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment that Mortgagor may desire to contest. Receipts showing full payment of all taxes and assessments shall be delivered to Mortgagee promptly after payment.

3. To repair, restore or rebuild promptly any building or improvement now or hereafter on the mortgaged premise which may become damaged or be destroyed, to keep the premises in good condition and repair without waste, to complete within a reasonable time any building or buildings now or at any time in process of erection upon the premises, to comply with all requirements of law or municipal ordinances with respect to the premises and the use thereof, to make no material alteration in the premises except as required by law or municipal ordinance, or authorized by Mortgagee, not to suffer any lien of mechanics or materialmen, or any other lien or claim for lien not expressly subordinated to the lien thereof, to attach to the premises, to pay, when due, any indebtedness which may be secured by a lien or charge on the premises superior to the lien hereof, and on request, to exhibit to Mortgagee satisfactory evidence of discharge of such prior lien or claim. Mortgagee shall have the right to inspect the premises at all reasonable times and access thereto shall be permitted for that purpose.

4. Until the debt is fully paid, to provide, maintain and deliver to Mortgagee policies of fire, and if required by Mortgagee, tornado, windstorm or other insurance, in companies, forms and amounts and with mortgage clauses satisfactory to Mortgagee, upon the buildings and improvements now or hereafter situated on the mortgaged premises, and to deliver to Mortgagee, with mortgage clauses satisfactory to Mortgagee, all insurance policies of any kind or in any amount now or hereafter issued upon the premises, and at least thirty (30) days before the expiration of an existing policy, to deposit with Mortgagee a policy to replace such expiring policy. Full power is hereby conferred on Mortgagee to settle or compromise all claims under all policies and to demand, and receive receipt for all moneys subsequent owner of the note or to the purchaser of the premises at any foreclosure or execution sale, and in the event of loss under any of

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the policies of insurance herein referred to, the proceeds of such policy shall be paid by the insurer to Mortgagee, which at its sole and absolute discretion, may apply the same or a part thereof, toward the alteration, reconstruction, repair or restoration of the premises, either to the portion thereof by which said loss was sustained or any other portion thereof, without in any way affecting the lien of this instrument or the obligations of the Mortgagor or any other person for the payment of the indebtedness hereby secured.

5. If any of the covenants hereof are not performed by Mortgagor as herein provided, Mortgagee may, but need not make any payment or perform any act hereinbefore or hereinafter required of mortgagor in any form or manner and to any extent deemed expedient. Mortgagee may make full or partial payments of principal or interest on prior liens. On the failure of Mortgagor to pay taxes or assessments before the same become delinquent or to pay any liens of mechanics or materialmen or any other liens, or to maintain insurance as above provided then Mortgagee, at its option, may pay such taxes or special assessments or redeem the premises from any tax sale or purchase any tax title obtained (and Mortgagee, in making any payment hereby authorized relating to taxes or assessments, may do so according to any bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof), may pay or settle any suits or claims for liens of mechanics or materialmen or other liens which may be made against the real estate, or may procure and pay for such insurance. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other moneys advanced by Mortgagee to protect the real estate or the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the rate of FOURTEEN AND THREE FOURTHS (14.75) percent per annum. Nothing herein contained shall be construed as requiring Mortgagee to advance or expend money for taxes, assessments, or for any other purpose. Inaction of Mortgagee shall never be construed as a waiver of any right accruing to it on account of any default hereunder on the part of Mortgagor.

6. If default shall be made in payment, at the time and place and in the manner provided, of all or any part of the said debt or interest thereon or of any other sums hereby secured, if any mechanic's or other claim, lien or encumbrance which might be prior or equal in lien to the lien of this mortgage be created upon or attach to all or any part of the premises, in the event of the passage after the date of this mortgage of any law deducting from the value of land for the purposes of taxation any lien thereon, or changing in any way the laws now in force for the taxation of mortgages or the manner of the collection of any such taxes so as to make it obligatory on Mortgagee to pay such tax or if default shall be made in the full performance of any covenant or agreement of this mortgage, then and in every such case, the whole debt secured by this mortgage, then and in every such case, the whole debt secured by this mortgage, with all interest thereon, and all other amounts hereby secured shall, at the option of the Mortgagee, become immediately due and payable, and may forthwith or at any time thereafter be collected by suit at law, foreclosure or other proceeding upon this mortgage or by any other proper, legal or equitable procedure.

7. If the time for the payment of the debt, or any part thereof be extended, Mortgagor and all persons now or at any time hereafter liable for the payment of the debt, or interest in said premises, shall be held to assent to such extension, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such persons being expressly reserved by Mortgagee notwithstanding the extension.

8. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorney's fees, court costs, appraisers fees, outlays for documentary and expert evidence, stenographer's charges,

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HEREIN AND MADE A PART HEREOF

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publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, guaranty policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional debt secured hereby and immediately due and payable with interest thereon at a rate of FOUR _____ (4) percent per annum over the note rate in effect at that time when paid or incurred by Mortgagee in connection with (a) any proceeding, including foreclosures, probate and bankruptcy proceedings, to which it shall be a party, either as plaintiff, claimant or defendant, by reason of this mortgage, or any indebtedness hereby secured, (b) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced, or (c) preparations for the defense of any threatened suit or proceedings which might affect the premises or the security hereof, whether or not actually commenced.

9. Upon, or at any time after, the filing of a complaint to foreclose this mortgage, the court in which such complaint is filed may appoint a receiver of the premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the premises or whether the same shall be then occupied as a homestead or not. Such receiver shall have power to collect the rents, issues and profits of the premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period for redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are unusual in such cases for the protection, possession, control, management and operation of the premises during this whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of (1) the debts secured hereby or by any decree foreclosing this mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale, or (2) the deficiency in case of a sale and deficiency. Mortgagor consents to the appointment of any officer or employee of or any other person designated by Mortgagee as such receiver.

10. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the note hereby secured.

11. The mortgagor specifically waives for itself and/or its beneficiaries, if applicable, any and all rights of redemption and homestead in the event the mortgage is foreclosed from sale under any order or decree of foreclosure. Said waiver to be binding upon its successors and assigns and all parties except judgment and decree creditors.

12. Mortgagor shall deliver to Mortgagee at any time on its request, all leases, abstracts, guaranty policies, muniments of title surveys and other papers relating to said premises, and in case of foreclosure hereof and failure to redeem, the same shall be delivered to and become the property of the person obtaining a deed to said premises by reason of such foreclosure.

13. Until default in any of the covenants of this mortgage or in the payment of principal and interest as provided in said note, when due, the Mortgagor may remain in possession of said real estate; but in case of any default as aforesaid, Mortgagee shall be entitled to immediate possession of the premises and to collect the rents, issues

and profits thereof, including rents accrued prior to default, to apply on the indebtedness and costs hereby secured and may enter without process of law, using such force as may be necessary, and in such case all tenants in possession are hereby directed to attorn to Mortgagee.

14. If required by Mortgagee, Mortgagor shall pay to Mortgagee with the monthly payments of principal and interest a prorated portion of the taxes, assessments and insurance premiums next to become due as estimated by the Mortgagee, so that Mortgagee will have sufficient funds on hand to pay taxes, assessments and insurance premiums thirty (30) days before the delinquent date thereof. Any deficit shall immediately be paid by Mortgagor to Mortgagee. Money so held shall not bear interest and upon default may be applied by Mortgagee on account of the mortgage indebtedness.

15. Any award of damages resulting from condemnation proceedings or the taking or injury of the mortgaged premises for public use (all such awards, to the total amount of the indebtedness secured by this mortgage are hereby transferred and assigned to Mortgagee) shall be paid to Mortgagee and the proceeds or any part thereof may be applied by Mortgagee, at its option, after payment of all of its expenses, including costs and attorneys' fees, to the reduction of the indebtedness hereby secured and Mortgagee is hereby authorized on behalf and in the name of Mortgagor, to execute and deliver valid acquittances and to appeal from any such award.

16. The rights and remedies of Mortgagee are cumulative and may be exercised as often and whenever occasion therefore arises, and failure of Mortgagee to exercise such rights and remedies, or any of them however often, shall not be deemed a waiver thereof.

17. That if any action or proceeding be commenced (except an action to foreclose this mortgage or to collect the debt secured hereby), to which action or proceeding the Mortgagee is or becomes a party or in which it becomes necessary to defend to uphold the lien of this mortgage, all sums paid by the Mortgagee for the expense of any litigation (including reasonable counsel fees) to prosecute or defend the rights and lien created by this Mortgage shall on notice and demand be paid by the Mortgagor together with the interest thereon at the rate of FOUR (4) percent per annum over the note rate in effect at that time, and shall be a lien on the premises, prior to any right or title to, interest in or claim upon the premises subordinate to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage and evidenced by the note; in any action or proceeding to foreclose this Mortgage, or to recover or collect the debt secured hereby, the provision of law respecting the recovery of costs, disbursements and allowances shall prevail unaffected by this covenant.

18. A reconveyance of said real estate shall be made by Mortgagee to Mortgagor on full payment of the indebtedness secured hereby, the performance of the covenants and agreements herein made by Mortgagor, and the payment of the reasonable fees of Mortgagee.

19. As an inducement to the American National Bank of Lansing to make this loan and as security for this loan the Mortgagor hereby consents and agrees that if the Mortgagor herein or any of his successors in title shall transfer or convey the mortgaged premises, or any part thereof, during the life of this mortgage without first obtaining the written consent of the Mortgagee, the Mortgagee may elect to consider the entire mortgage debt including principal, interest and any and all other charges immediately due and payable and the said Mortgagee may elect to institute foreclosure proceeding hereon.

20. Each of the covenants and conditions of this mortgage shall bind the party named above as "Mortgagor," and his respective successors and assigns, and shall inure to the benefit of and be available to the successors and assigns of Mortgagee. The term "Mortgagor" shall include the party executing this mortgage, his respective successors and assigns. The term "Mortgagee" shall include the successors and assigns of the Mortgagee.

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Executed and delivered by the Calumet National Bank, not in its individual capacity, but solely in the capacity herein described, for the purpose of binding the herein described property and it is expressly understood and agreed by the parties hereto, anything herein to the contrary notwithstanding, that each and all of the undertakings and agreements herein made, are made and intended not as personal undertakings and agreements of the Trustee, or for the purpose of binding the Trustee personally, but executed and delivered by the Trustee solely in the exercise of the powers conferred upon it as such Trustee, and no personal liability or personal responsibility is assumed by, or shall at any time be asserted or enforced against said Trustee on account hereof or on account of any undertaking or agreement herein contained, either expressed or implied, all such personal liability, if any, being hereby expressly waived and released by all other parties hereto, and those claiming by, through, or under them.