Mortgagor and Mortgagee covenant and agree as follows:

1. PAYMENT OF CONTRACT Mortgagor shall promptly pay when due the indebtedness evidenced by the Contract and late charges as provided in the Contract

2. INSURANCE. Mortgagor shall keep all improvements on said land now or hereafter erected, constantly insured for the benefit of the Mortgagee against loss by fire, windstorm and such other casualties and contingencies, in such manner and in such companies and for such amounts, not exceeding that amount necessary to pay the sum secured by this Mortgage, and as may be satisfactory to the Mortgagee. Mortgagor shall purchase such insurance, pay all premiums therefor, and shall deliver to Mortgagee such policies along with evidence of premium payment as long as the Contract secured hereby remains unpaid If Mortgagor fails to purchase such insurance, pay the premiums therefor or deliver said policies along with evidence of payment of premiums thereon, then Mortgagee, at its option, may purchase such insurance Such amounts paid by Mortgagee shall be added to the Contract secured by this Mortgage, and shall be due and payable upon demand by Mortgagor to Mortgagee

3 TAXES, ASSESSMENTS, CHARGES Mortgagor shall pay all taxes, assessments and charges as may be lawfully levied against the Property within thirty (30) days after the same shall become due In the event that Mortgagor fails to pay all taxes, assessments and charges as herein required, then Mortgagee, at its option, may pay the same and the amounts paid shall be added to the Contract secured by this Mortgage, and shall be due and payable by Mortgagor to Mortgagee upon demand of Mortgagee

4 PRESERVATION AND MAINTENANCE OF PROPERTY Mortgagor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property Upon the failure of the Mortgagor to so maintain the Property, the Mortgagee may at its option, enter the property and cause reasonable maintenance work to be performed Any amounts paid by Mortgagee shall be added to the Contract secured by this Mortgage, and shall be due and payable by Mortgagor to Mortgagee upon demand of Mortgagee

5 WARRANTIES Mortgagor covenants with Mortgagee that he is seized of the Property in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all incumbrances and that he will warrant and defend the title against the lawful claims of all persons whomsoever, except for the exceptions hereinafter stated Title to the Property is subject to the following exceptions

6 WAIVER The Mortgagor waives and relinquishes all rights and benefits under the valuation and appraisement laws of any state

7. PRIOR LIENS Default under the terms of any instrument secured by a lien to which this Mortgage is subordinate shall constitute default hereunder

8. TRANSFER OF THE PROPERTY; DUE ON SALE. If the Mortgagor sells or transfers all or part of the Property or any rights in the Property, any person to whom the Mortgagor sells or transfers the Property may take over all of the Mortgagor's rights and obligations under this Mortgage (known as an "assumption of the Mortgage") if certain conditions are met. Those conditions are:

(A) Mortgagor gives Mortgagee notice of sale or transfer,
(B) Mortgagee agrees that the person qualifies under its then usual credit criteria;
(C) The person agrees to pay interest on the amount owed to Mortgagee under the Contract and under this Mortgage at whatever lawful rate Mortgagee requires, and
(D) The person signs an assumption agreement that is acceptable to Mortgagee and that obligates the person to keep all of the promises and agreements made in the Contract and in this Mortgage

If the Mortgagor sells or transfers the Property and the conditions in A, B, C and D of this section are not satisfied, Mortgagee may require immediate payment in full of the Contract, foreclose the Mortgage, and seek any other remedy allowed by the law However, Mortgagee will not have the right to require immediate payment in full or any other legal remedy as a result of certain transfers. Those transfers are:

(i) the creation of liens or other claims against the Property that are inferior to this Mortgage, such as other mortgages, materialman's liens, etc,
(ii) a transfer of rights in household appliances to a person who provides the Mortgagor with the money to buy these appliances in order to protect that person against possible losses,
(iii) a transfer of the Property to surviving co-owners following the death of a co-owner, when the transfer is automatic according to law, and,
(iv) leasing the Property for a term of three (3) years or less, as long as the lease does not include an option to buy

9. ACCELERATION: REMEDIES. Upon Mortgagor's breach of any covenant or agreement of Mortgagor in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Mortgagee prior to acceleration shall mail notice to Mortgagor of the default If the breach is not cured on or before the date specified in the notice, Mortgagee at Mortgagee'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 Mortgagee shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports, all of which shall be additional sums secured by this Mortgage.

10. APPOINTMENT OF RECEIVER. Upon acceleration under paragraph 9 hereof or abandonment of the Property, Mortgagee shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect all rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of the 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. The receiver shall be liable to account only for those rents actually received.

11. ASSIGNMENT. This Mortgage may be assigned by the Mortgagee without consent of the Mortgagor.

IN WITNESS WHEREOF, Mortgagors have executed this mortgage on the day above shown.

ALLAN FEFFERMAN — Witness — Ronald M. Millender — Mortgagor

DONNA M. PEARSON — Witness — Bruce E. Carlton — Mortgagor

Witness — Mortgagor

ACKNOWLEDGMENT BY INDIVIDUAL

STATE OF INDIANA, COUNTY OF Lake, SS:

Before me, the undersigned, a notary public in and for said county and state, personally appeared Ronald M. Millender and Bruce E. Carlton and acknowledged the execution of the foregoing mortgage

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal this 26th day of December, 19 90.

My Commission Expires: 11-16-93

Felipa Ortiz, Notary Public Lake County Resident

TRANSFER AND ASSIGNMENT

096833 Lake County, INDIANA

For value received the undersigned Mortgagee hereby transfers, assigns and conveys unto Western American Mortgage all right, title, interest, powers and options in, to and under the within Real Estate Mortgage from Ronald M. Millender & Bruce E. Carlton to First Metropolitan Builders of America, Inc. as well as the indebtedness secured thereby

In witness whereof the undersigned has hereunto set hand and seal, this 19th day of March, 19 90

Signed, sealed and delivered in the presence of

Witness: Donna M. Pearson

Notary: Felipa Ortiz

First Metropolitan Builders of America, Inc (Seal)

By Allan Fefferman (Title) President

Notary Public Felipa Ortiz, Lake County, Indiana My Commission Expires: 11-16-93

This instrument was prepared by Allan Fefferman

096832

5.00

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