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VA Form 26-6312 (Home Loan)  
Rev. Oct 1963. Use Optional.  
Section 1812, Title 38, U.S.C.  
Acceptable to Federal National  
Mortgage Association  
(Amended February, 1963)

INDIANA

91008991

# MORTGAGE

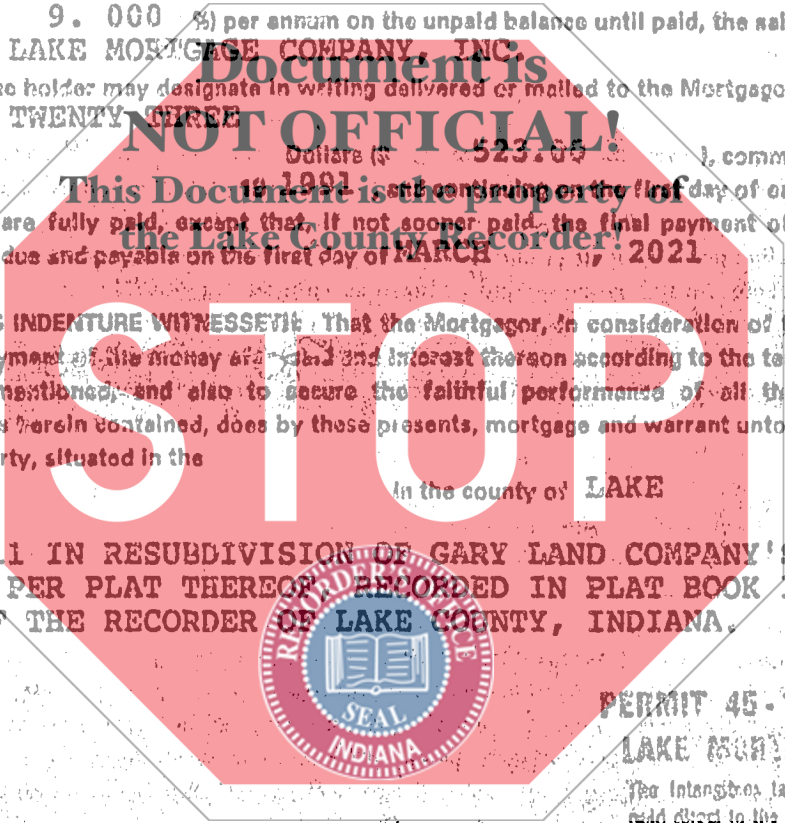
**NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT. The attached RIDER is made a part of this instrument.**

This Mortgage made the 22ND day of FEBRUARY, A.D. 1991, between ARTHUR LEE AND SARAH M. LEE

of the \_\_\_\_\_ of \_\_\_\_\_ in the county of LAKE \_\_\_\_\_ and State of Indiana (hereinafter called Mortgagor), and LAKE MORTGAGE COMPANY, INC. a corporation organized and existing under the laws of THE STATE OF INDIANA (hereinafter called Mortgagee),

WITNESSETH: That whereas the Mortgagor is justly indebted to the Mortgagee for money borrowed in the principal sum of SIXTY FIVE THOUSAND AND 00/100 Dollars (\$ 65,000.00 ) as evidenced by a certain promissory note of even date herewith, the terms of which are incorporated herein by reference, with interest from date at the rate of NINE AND NO/100 per centum ( 9.000 %) per annum on the unpaid balance until paid, the said principal and interest to be payable at the office of LAKE MORTGAGE COMPANY, INC. or at such other place as the holder may designate in writing delivered or mailed to the Mortgagor, in monthly installments of FIVE HUNDRED TWENTY THREE AND 00/100 Dollars (\$ 523.00 ), commencing on the first day of APRIL 1991 and continuing on the first day of each month thereafter until the principal and interest are fully paid, except that, if not sooner paid, the final payment of the entire indebtedness evidenced thereby shall be due and payable on the first day of MARCH 1991.

Count 91006992



NOW, THEREFORE, THIS INDENTURE WITNESSETH: That the Mortgagor, in consideration of the premises, and for the purpose of securing the payment of the money and interest thereon according to the tenor and effect of the said promissory note, above mentioned, and also to secure the faithful performance of all the covenants, conditions, stipulations and agreements herein contained, does by these presents, mortgage and warrant unto the Mortgagee, all of the following-described property, situated in the \_\_\_\_\_ of \_\_\_\_\_ in the county of LAKE \_\_\_\_\_ and State of Indiana, to wit:

LOT 9 IN BLOCK 11 IN RESUBDIVISION OF GARY LAND COMPANY'S THIRD SUBDIVISION, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 13 PAGE 8, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

PERMIT 45-146A GARY LAKE MORTGAGE CO., INC.  
The Intangibles tax on this instrument is paid direct to the Intangibles Tax Division in accordance with Ch. 153, Acts, 1957  
OFFICIAL PERMIT STAMP  
Approved by Intangibles Tax Division

together with all buildings, or improvements now or hereafter thereon, and the fixtures and appurtenances and all other rights thereto belonging, or in anywise appertaining, and the reversion, remainder, and the rents, issues, and profits thereof (provided, however, that the Mortgagor shall be entitled to collect and retain the said rents, issues, and profits until default hereunder), all fixtures, now or hereafter attached to or used in connection with the premises, in addition thereto the following described household appliances, which are, and shall be deemed to be, fixtures and a part of the realty and are a portion of the security for the indebtedness herein mentioned:

STATE OF INDIANA  
FEB 21 1991  
ROBERT DEWITT

Handwritten signature and initials at the bottom left.

91006992

**THE MORTGAGOR FURTHER COVENANTS that:**

- 1. Mortgagor is the owner of said premises in fee simple or such other estate as is stated herein.
- 2. Mortgagor will pay the indebtedness on or before the date of said note and this mortgage. Privilege is reserved to prepay at any time without penalty or fee, the entire indebtedness or any part thereof, not less than the amount of one installment or one hundred dollars (\$100.00), whichever is less. Prepayment in full shall be credited on the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment due date or thirty days after such prepayment, whichever is earlier.
- 3. Mortgagor will pay to the Mortgagee, as trustee, under the terms of this trust as hereinafter stated together with and in addition to, the monthly payments under the terms of the note secured hereby, on the first day of each month until the said note is fully paid:

- (a) A sum equal to the arrearages, if any, past due, plus the premiums that will next become due and payable on policies of fire and other hazard insurance covering the premises, plus assessments past due or to be paid by Mortgagor or trust on the mortgage property plus the amount of any special assessments levied on the premises, less all sums already paid; that for divided by the number of months to elapse before the next monthly payment to the debt hereunder; ground rents, premiums, taxes, and special assessments to be paid by Mortgagor or trust to pay said ground rents, premiums, taxes, and special assessments;
- (b) The aggregate of the following items to be paid by the note secured hereby, or shall be paid in a single payment each month, to be applied to the following items in the order stated:
  - (i) ground rents, taxes, special assessments, fire, flood, and other hazard insurance premiums;
  - (ii) interest on



7. Mortgagor will continuously maintain hazard insurance, of such type or types and amounts as Mortgagee may from time to time require, on the improvements now or hereafter on said premises, and except when payment for all such premiums has theretofore been made under (a) of paragraph 3 hereof, he/she will pay promptly when due any premiums therefor. In default thereof, the Mortgagee may pay the same. All insurance shall be carried in companies approved by Mortgagee and the policies and renewals thereof shall be held by Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In event of loss Mortgagee will give immediate notice by mail to Mortgagor and Mortgagor may make proof of loss if not made promptly by Mortgagee, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Mortgagee instead of to Mortgagor and Mortgagee jointly, and the insurance proceeds, or any part thereof, may be applied by Mortgagee at its option either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. In event of foreclosure of this mortgage, or other transfer of title to the mortgaged property in extinguishment of the indebtedness secured hereby, all right, title and interest of the Mortgagor in and to any insurance policies then in force shall, pass to the purchaser or grantee.

8. In case proceedings to foreclose this mortgage are instituted, any sums necessarily expended for the continuation of the estate of title to the above-described real estate, together with interest thereon at the rate provided for in the principal indebtedness, shall become a part of the debt secured by this mortgage and shall be collectible as such.

9. Upon the request of the Mortgagee, the Mortgagor shall execute and deliver a supplemental note or notes for the sum or sums as agreed by the Mortgagee for the alteration, modernization, improvement, maintenance, or repair of said premises, for taxes or assessments against the same and for any other purpose authorized hereunder. Said note or notes shall be secured hereby on a parity with and as fully as if the advance evidenced thereby were included in the note first described above. Said supplemental note or notes shall bear interest at the rate provided for in the principal indebtedness and shall be payable in approximately equal monthly payments for such period as may be agreed upon by the creditor and debtor. Failing such agreement on the maturity, the whole of the sum or sums so advanced with interest thereon at the rate provided for in the principal indebtedness shall be due and payable thirty (30) days after demand by the creditor. In no event shall the maturity extend beyond the ultimate maturity of the note first described above.

10. If the Mortgagor or any part thereof, or any amount payable hereunder, directly or indirectly to pay off, discharge, or satisfy, in whole or in part, any lien or encumbrance upon said premises above described, or any part thereof, then the Mortgagee shall be entitled to any additional security held by the holder of such lien or encumbrance.

11. If any payment made in payment of the installment provided for in paragraph 3 hereof, or in the performance of any other obligation of this mortgage or of the note secured hereby, shall be made at the time of payment of the interest, and such payment shall be sufficient to pay the interest, and the Mortgagee shall have the right to foreclose this mortgage, anything hereinbefore or in said note contained to the contrary notwithstanding, and any failure to exercise said option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

12. In case proceedings to foreclose this mortgage be instituted by the Mortgagee may apply for the appointment of a receiver (over the premises hereby mortgaged) and such receiver shall be authorized to take possession of the real estate above described, collect any rents, issues, or profits thereon, and to sell or lease the same, and for the due occupancy of said premises by any person or firm or corporation or individual or any other person or persons, and for the receipt of the rents, income and profits therefrom, and to prosecute and defend any suits or proceedings in law or equity, and to do all such things as may be necessary to carry out the purposes of this mortgage, and to execute any instrument which may be required for the satisfaction of any debt secured by this mortgage.

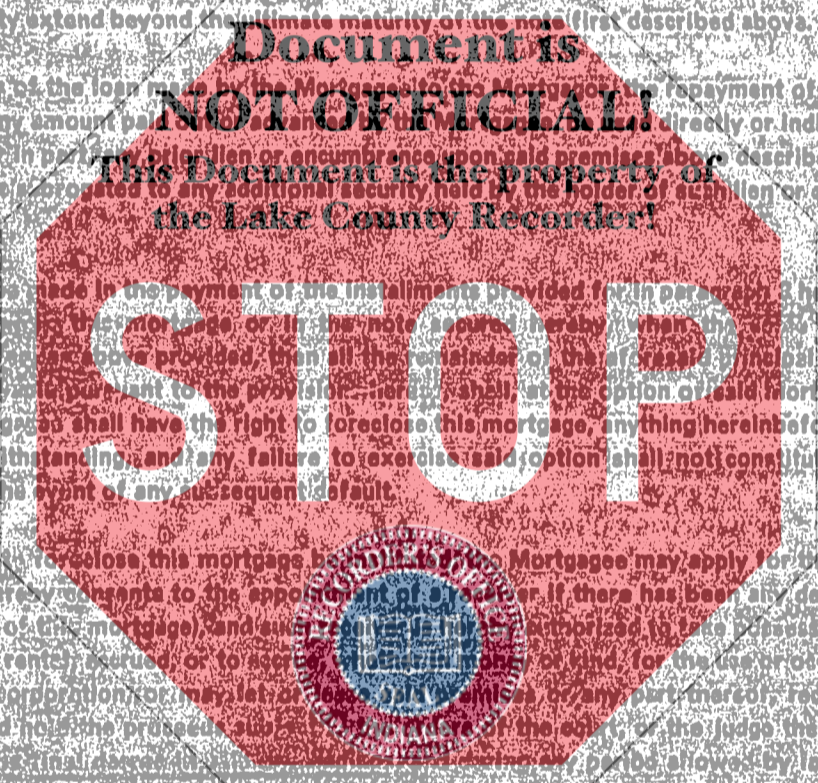
13. In case of the foreclosure of this mortgage, the Mortgagee shall have the right to take possession of the mortgaged property or to become one of the co-trustees of the Mortgagee. In the event of the foreclosure of this mortgage, the Mortgagee shall expressly give the right to take possession of the mortgaged property, or to become one of the co-trustees of the Mortgagee, to the holder of the mortgage, or without process of law and collect the rents and profits therefrom, applying the same to the payment of the debt secured by this mortgage so long as a default shall continue, and such appointment shall not deprive the Mortgagee of the right to foreclose this mortgage because of a default.

14. The Mortgagor hereby mortgages, no forbearance on the part of the Mortgagee or holder of this mortgage, the payment of the debt hereby secured given by the Mortgagor, and hereby assigns, transfers, conveys, and releases, with full effect, the original liability of the Mortgagor herein either in whole or in part, nor shall the release of the mortgagor be stayed thereby.

15. In the event of any other lien or lien upon said real estate, shall take the said lien in priority over this mortgage herein to extend the maturity of the indebtedness hereby secured without obtaining the consent of the Mortgagee, this lien shall be without the lien of this mortgage losing its priority over any such junior lien.

16. The property pledged by this instrument is and under foreclosure, and the proceeds are insufficient to pay the debt secured hereby, the Mortgagee shall be entitled to a deficiency judgment.

17. The Mortgagor hereby agrees that the Mortgagee shall be without fault from the date of the recording of this mortgage to the date of the recording of this mortgage.



If the indebtedness secured hereby be guaranteed or insured under Title 38 United States Code, such Title and Regulations issued thereunder and in effect on the date hereof shall govern the rights, duties and liabilities of the parties hereto, and any provisions of this or other instruments executed in connection with said indebtedness which are inconsistent with said Title or Regulations are hereby amended to conform thereto.

The covenants herein contained shall bind, and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors, and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, the use of any gender shall include all genders, and the term "Mortgagee" shall include any payee of the indebtedness hereby secured or any transferee thereof whether by operation of law or otherwise.

IN WITNESS WHEREOF, the said Mortgagor has hereunto set their hand s and seal s this 22nd day of February , 19 91

*Arthur Lee*  
ARTHUR LEE

*Sarah M. Lee*  
SARAH M. LEE

This instrument was prepared by SUSAN M. BRISTOW  
MERRILLVILLE, IN 46410

STATE OF INDIANA,

COUNTY OF Lake

Before me, the undersigned, Paula Barrick, an official of Lake County of the State of Indiana, on this 22nd day of February , 19 91, personally appeared Arthur Lee & Sarah M. Lee

acknowledged the execution of the foregoing mortgage.

Witness my hand and official seal the day and year last above written.

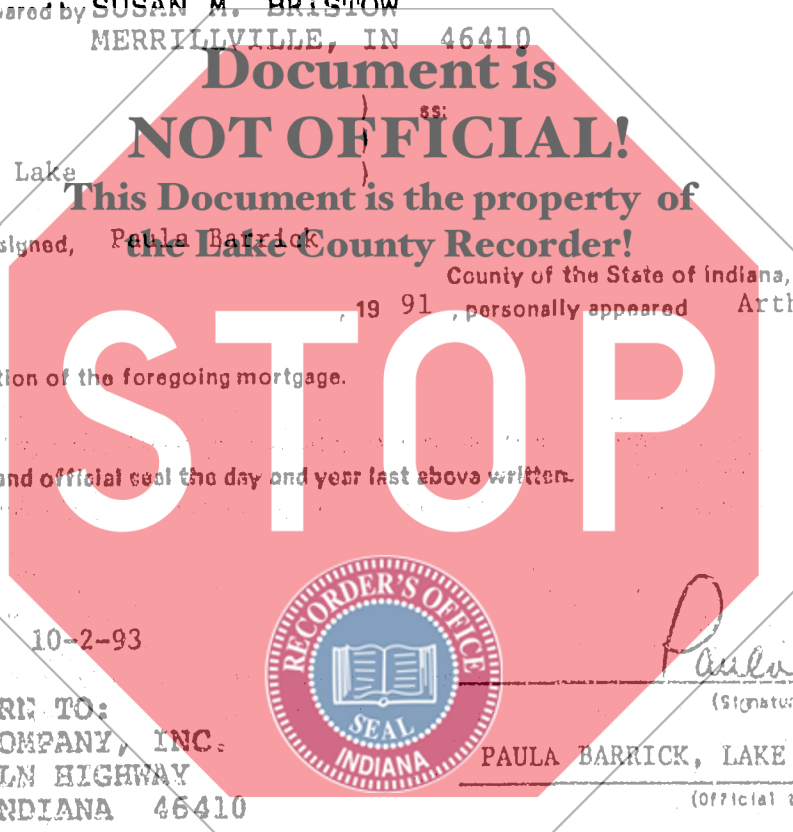
My commission expires 10-2-93

RECORD AND RETURN TO:  
LAKE MORTGAGE COMPANY, INC.  
4000 WEST LINCOLN HIGHWAY  
MERRILLVILLE, INDIANA 46410



*Paula Barrick*  
(Signature)

PAULA BARRICK, LAKE CO. RESIDENT, NOTARY PUBLIC  
(Official title)



STATE OF INDIANA  
MORTGAGE  
TO  
Received for record this \_\_\_\_\_ day \_\_\_\_\_, 19 \_\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ M., and recorded in \_\_\_\_\_ Mortgage Record at pages \_\_\_\_\_ of the records of \_\_\_\_\_ County, Indiana.  
Recorder of \_\_\_\_\_ County, Indiana.

VA ASSUMPTION POLICY RIDER

995063

LH 523-092

NOTICE: THIS LOAN IS NOT ASSUMABLE WITHOUT THE APPROVAL OF THE DEPARTMENT OF VETERANS AFFAIRS OR ITS AUTHORIZED AGENT.

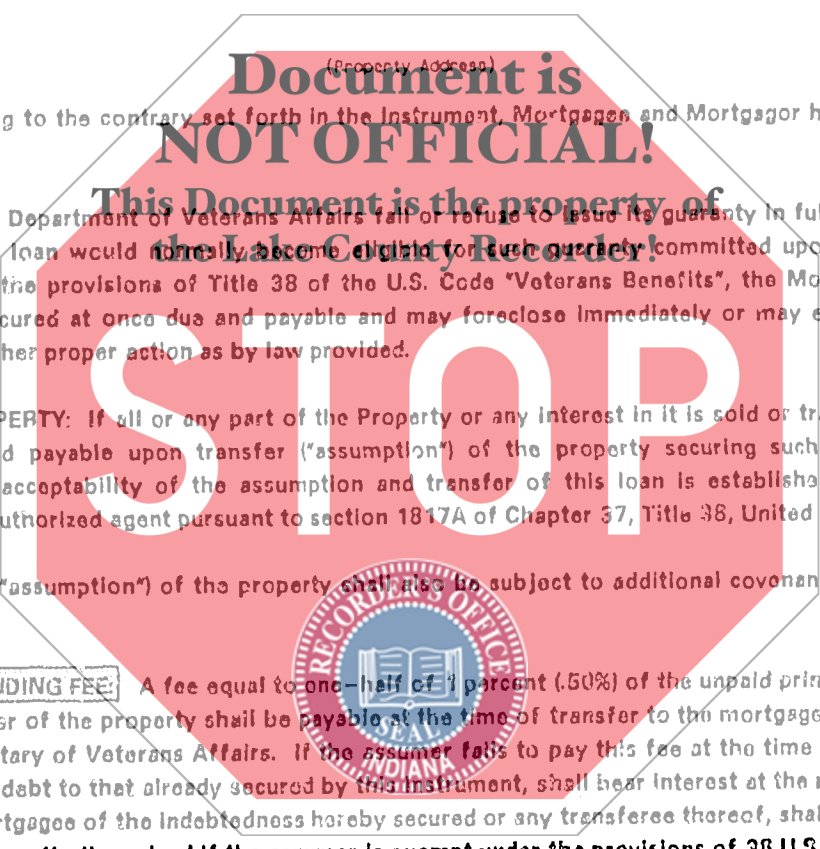
THIS ASSUMPTION POLICY RIDER is made this 22ND day of FEBRUARY, 1991, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Deed to Secure Debt ("Instrument") of the same date herewith, given by the undersigned ("Mortgagor") to secure the Mortgagor's Note ("Note") of the same date to

LAKE MORTGAGE COMPANY, INC.

its successors and assigns

("Mortgage") and covering the property described in the Instrument and located at

1400 WEST 6TH AVENUE, GARY, INDIANA 46402



Notwithstanding anything to the contrary set forth in the Instrument, Mortgage and Mortgagor hereby acknowledges and agrees to the following:

GUARANTY: Should the Department of Veterans Affairs fail or refuse to issue its guaranty in full amount within 60 days from the date that this loan would normally become due for such guaranty committed upon by the Department of Veterans Affairs under the provisions of Title 38 of the U.S. Code "Veterans Benefits", the Mortgagee may declare the indebtedness hereby secured at once due and payable and may foreclose immediately or may exercise any other rights hereunder or take any other proper action as by law provided.

TRANSFER OF THE PROPERTY: If all or any part of the Property or any interest in it is sold or transferred, this loan shall be immediately due and payable upon transfer ("assumption") of the property securing such loan to any transferee ("assumer"), unless the acceptability of the assumption and transfer of this loan is established by the Department of Veterans Affairs or its authorized agent pursuant to section 1817A of Chapter 37, Title 38, United States Code.

An authorized transfer ("assumption") of the property shall also be subject to additional covenants and agreements as set forth below:

(a) ASSUMPTION FUNDING FEE: A fee equal to one-half of 1 percent (.50%) of the unpaid principal balance of this loan as of the date of transfer of the property shall be payable at the time of transfer to the mortgagee or its authorized agent, as trustee for the Secretary of Veterans Affairs. If the assumer fails to pay this fee at the time of transfer, the fee shall constitute an additional debt to that already secured by this instrument, shall bear interest at the rate herein provided, and, at the option of the mortgagee of the indebtedness hereby secured or any transferee thereof, shall be immediately due and payable. This fee is automatically waived if the assumer is exempt under the provisions of 38 U.S.C. 1829 (b).

(b) ASSUMPTION PROCESSING CHARGE: Upon application for approval to allow assumption and transfer of this loan, a processing fee may be charged by the mortgagee or its authorized agent for determining the creditworthiness of the assumer and subsequently revising the holder's ownership records when an approved transfer is completed. The amount of this charge shall not exceed the maximum established by the Department of Veterans Affairs for a loan to which section 1817A of Chapter 37, Title 38, United States Code applies.

(c) ASSUMPTION INDEMNITY LIABILITY: If this obligation is assumed, then the assumer hereby agrees to assume all of the obligations of the veteran under the terms of the instruments creating and securing the loan, including the obligation of the veteran to indemnify the Department of Veterans Affairs to the extent of any claim payment arising from the guaranty or insurance of the indebtedness created by this instrument.

IN WITNESS WHEREOF, Mortgagor(s) has executed this Assumption Policy Rider.

Arthur Lee (Seal) Mortgage SARAH M. LEE (Seal) Mortgage

(Seal) Mortgage (Seal) Mortgage