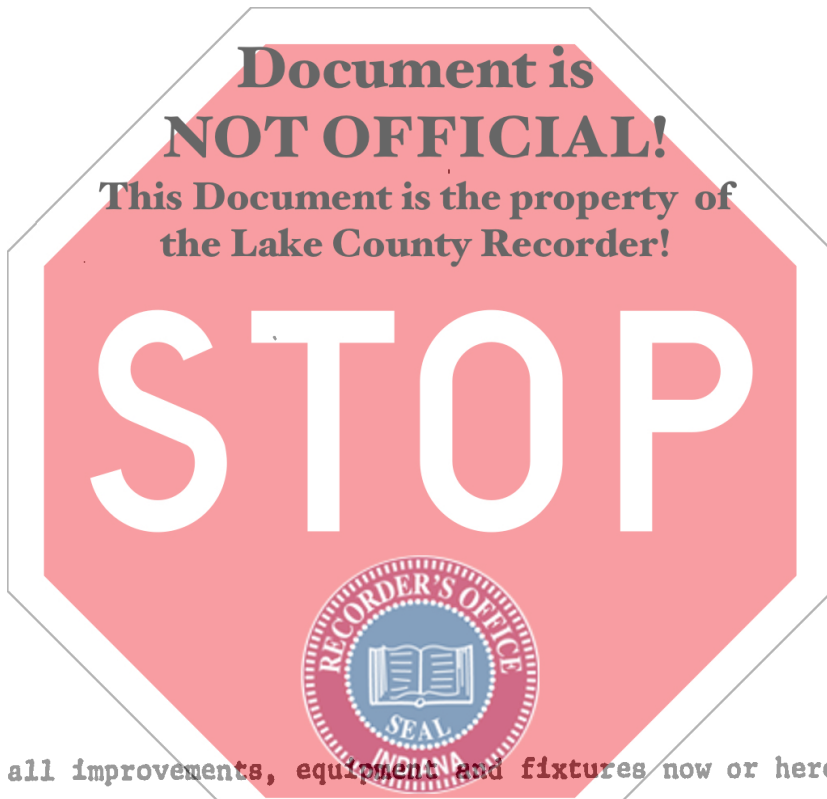


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REAL ESTATE MORTGAGE

THIS INDENTURE WITNESSES that SHELDON THOMPSON and REBECCA L. THOMPSON, husband & wife (hereinafter referred to jointly and severally as "Mortgagor"), of Lake County, State of Indiana, MORTGAGE and WARRANT to ROBERT OLIGNEY (hereinafter referred to as "Mortgagee"), the following described real estate located in the County of Lake, State of Indiana:

Lot 74, C. Gorley's Rolling Hill Estate, Unit #2, in Lake County, Indiana, as shown in Plat Book 35 page 53.



STATE OF INDIANA/S.S. NO. LAKE COUNTY RECORDER RECORDED APR 16 11 36 AM '91

together with all improvements, equipment and fixtures now or hereinafter situated thereon or used in connection therewith, whether or not physically attached thereto, and all present and future rights, privileges, interests, easements, hereditaments and appurtenances thereunto belonging or in any manner pertaining thereto and the rents, issues, income, uses, proceeds and profits therefrom (all hereinafter referred to as "Mortgaged Premises").

This Mortgage is given to secure the performance of the provisions hereof and the payment of the indebtedness of the Mortgagor to the Mortgagee, that is evidenced by a certain promissory note (hereinafter referred to as "The Note") dated January 1, 1991 in the principal sum of Sixty Thousand and no/100 Dollars (\$ 60,000.00), executed by the Mortgagor and payable to the order of the Mortgagee, repayable in installments, together with interest as provided for in said Note, the final installment thereof being due and payable on January 1, 1997.

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This mortgage, in addition to the above indebtedness heretofore mentioned, is also given to secure the payment of all other indebtedness or liability of the undersigned Mortgagors to the Mortgagee and his successors and assigns, which may be existing at this time or created at any time during the existence of this mortgage.

Mortgagors jointly and severally covenant and agree as follows:

Mortgagors shall pay when due all indebtedness secured hereby, on the date and in the amounts, respectively as provided for in the Note and in this Mortgage, with reasonable attorneys' fees, all without relief from valuation and appraisal laws.

Any advance made by the Mortgagors or any other indebtedness due from the Mortgagors or Mortgagee, his successor in title, for any purpose at any time before the release and cancellation of this mortgage, provided that, nothing herein contained shall be considered as limiting in the amounts that shall be secured hereby when advanced to protect the security or in accordance with the covenants contained in the mortgage.

If the Mortgagee, should so require, Mortgagors shall also pay to Mortgagee monthly (on the payment dates provided in the Note) a pro-rata portion of the hazard insurance premiums, the real property taxes and any pending municipal assessments, so that Mortgagee will have sufficient funds on hand to pay such premiums when due and such taxes and assessments thirty (30) days before the delinquency date thereof. Any deficit in this escrow account (as determined by Mortgagees) shall immediately be paid to Mortgagee by Mortgagors upon written notice thereof provided by Mortgagees to Mortgagors. Moneys so held shall not bear interest. Upon any default by Mortgagors in the performance of duties under the Note or this Mortgage, such moneys may be applied by Mortgagee to the mortgage indebtedness secured hereby. Mortgagors shall furnish Mortgagee with all applicable bills and statements in sufficient time to permit Mortgagee to pay the premiums and other charges when due and to pay taxes and assessments before penalty attaches. The Mortgagee is authorized to pay said items as charged or billed without further inquiry.

Mortgagors shall keep the Mortgaged Premises in good repair and shall not commit or permit waste thereon or do or permit to be done anything that may impair the value of the Mortgaged Premises or remove or alter any structures now located on the Mortgaged Premises without Mortgagee's prior written consent. Mortgagors shall promptly restore any part of the Mortgaged Premises which may be damaged or destroyed. Mortgagors shall pay when due all taxes and assessments levied or assessed against the Mortgaged Premises or any part thereof and not paid with funds of Mortgagors held by Mortgagee in the escrow account described in paragraph 3 above.

Mortgagors shall comply with all statutes, ordinances, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body or official, applicable to the Mortgaged Premises, or any part thereof, or to Mortgagors, or to the operation of any business of Mortgagors which directly affects the Mortgaged Premises; provided, however, that Mortgagors may contest any of the matters referred to in this paragraph in any reasonable manner which in the judgment of the Mortgagee will not adversely affect the rights of Mortgagee, his successors or assigns, or the holder of the Note.

Mortgagors will procure and maintain in effect at all times adequate insurance written by reliable insurance companies acceptable to Mortgagee, which insures against loss or destruction of the Mortgaged Premises by fire, windstorm and such other hazards in such amounts as Mortgagee from time to time, may require. All such policies of insurance shall contain proper clauses making all sums recoverable upon such policies payable to Mortgagees and to Mortgagors as their respective interests may appear, and shall not be subject to cancellation without thirty (30) days prior written notice to Mortgagees. Mortgagors authorize Mortgagees to endorse on Mortgagors' behalf drafts reflecting such insurance proceeds, provided that Mortgagee shall remit to Mortgagors such surplus, if any, as remains after the proceeds have been applied, at Mortgagee's discretion, to the restoration of the Mortgaged Premises or to the satisfaction of all indebtedness secured by this Mortgage. All such policies of insurance and all abstracts of title or title insurance policies covering the Mortgaged Premises shall, at Mortgagees' request, be delivered to and retained by Mortgagee until the indebtedness secured hereby is fully paid.

Mortgagee may, at its option, advance and pay all sums necessary to protect and preserve the Mortgaged Premises, and all sums so advanced and paid by Mortgagee shall become a part of the indebtedness secured hereby and shall bear interest from date of payment at the rate of 12 percent per year. Such sums shall include, but not by way of limitation, (a) insurance premiums, taxes and assessments and liens which may be or become senior to this Mortgage as liens on the Mortgaged Premises or any part thereof; (b) the cost of any title insurance, abstracts of title, surveys or other evidence which in the discretion of Mortgagee may be required in order to establish, preserve or enforce the lien or this Mortgage; (c) all costs, expenses and reasonable attorneys' fees incurred by Mortgagee in respect of any and all legal and equitable actions which relate to this Mortgage or to the Mortgaged Premises during the existence of the indebtedness secured by this Mortgage; and (d) the cost of any repairs respecting the Mortgaged Premises which are deemed necessary by Mortgagee. Mortgagee shall be subrogated to the rights of the holder of each lien or claim paid with moneys secured hereby.

If all or any part of the Mortgaged Premises is damaged, taken or acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right of eminent domain, or by the alteration of the grade of any street affecting the Mortgaged Premises, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid indebtedness secured hereby, is hereby assigned to Mortgagee, who is empowered to collect and receive the same and to give proper receipts therefor in the name of the Mortgagors, and the same shall be paid forthwith to Mortgagee. Any award or payment so received by Mortgagee may, at the option of Mortgagee, be retained and applied, in whole or in part, to the indebtedness secured hereby (whether or not then due and payable), in such manner as Mortgagees may determine, or released, in whole or in part, to Mortgagors for the purpose of altering, restoring or rebuilding any part of the Mortgaged Premises which may have been altered, damaged or destroyed as a result of such taking, alteration or proceeding. Mortgagee shall not be obligated to see to the application of any such amounts.

Said Mortgagors further agree that this Mortgage shall become due and payable

forthwith, at the option of the Mortgagee, if the Mortgagors shall convey said mortgaged premises, or if the legal or equitable title thereto shall become vested in any other person or persons, firm or corporation, in any manner whatsoever. A conveyance or vesting of legal or equitable title for purposes of this mortgage shall include but are not limited to an absolute conveyance by Deed, Conditional Land Contract or any lease with an option to purchase.

If Mortgagor conveys said property into a trust, it shall be required to forward a copy of all trust instruments, including designation of beneficial interests and power of direction to the Mortgagee.

In the event of a default by Mortgagors in any payment provided for herein or in the Note, or in the performance of any covenant or agreement of Mortgagors hereunder or of any other instrument given as additional security in connection with this transaction, or if Mortgagors shall abandon the Mortgaged Premises, or shall be adjudged bankrupt or a debtor in reorganization or arrangement proceedings, or if the trustee or receiver shall be appointed for Mortgagors or for any part of the Mortgaged Premises, or if Mortgagors shall make an assignment for the benefit of their creditors, or, in the event of any judgment or proceeding entered or brought against the Mortgagors by or in favor of any third person affecting the Mortgaged Premises or to foreclose any lien thereon or any part thereof; then, and in any such event, the entire indebtedness secured hereby shall become immediately due and payable at the option of Mortgagee, without notice, and this Mortgage may be foreclosed accordingly. Mortgagee may obtain without notice, the appointment of a receiver for the Mortgaged Premises to collect the rents and profits, and to maintain the Mortgaged Premises during any foreclosure proceeding.

Mortgagee, at his option and on such terms as he may desire, may extend the time of payment of any part or all of the indebtedness secured hereby or release any part of the Mortgaged Premises from the lien of this Mortgage without impairing the lien of this Mortgage (except as to any interest in the Mortgaged Premises expressly released) and without releasing Mortgagors or any guarantors or sureties. No delay by Mortgagee in the exercise of any of their rights hereunder shall preclude the subsequent exercise thereof so long as Mortgagors are in default hereunder, and no waiver by Mortgagee of any default of the Mortgagors shall operate as a waiver of subsequent or other defaults. The making of any payment by Mortgagee for any purposes herein permitted shall not constitute a waiver of any breach of Mortgagors' covenant to perform such act. Notice by Mortgagees of their intention to exercise any right or option hereunder is expressly waived by Mortgagors, and any one or more of Mortgagees' rights or remedies hereunder may be enforced successively or concurrently. Time is of the essence of this Mortgage.

All rights and obligations of Mortgagors hereunder shall extend to an be binding upon the several heirs, representatives, grantees, successors and assigns of the Mortgagors, and shall inure to the benefit of Mortgagee, his successors and assigns. In the event this Mortgage is executed by only one person or corporation, the word "Mortgagors" as used herein shall be construed to mean "Mortgagor", and the terms and provisions of this Mortgage shall be construed accordingly. If this Mortgage is executed by more than one person or corporation, the word "Mortgagors" shall be construed to refer to such person or corporations jointly and severally.

IN WITNESS WHEREOF, the Mortgagors have hereunto set their hands and seals this 11th day of January, 1991.

Sheldon Thompson (SEAL)
SHELDON THOMPSON

Rebecca L. Thompson (SEAL)
REBECCA L. THOMPSON

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

STATE OF INDIANA)
)SS:
COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, this 11th day of January, 1991, personally appeared SHELDON THOMPSON and REBECCA L. THOMPSON

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who acknowledged the execution of the foregoing Real Estate Mortgage.

Witness my Hand and Notarial Seal.

Richard A. Zunica
Notary Public

My Commission expires:
9-12-94

County of Residence: Lake

