

3

REAL ESTATE MORTGAGE

91025682

This indenture witnesseth that

ANDREW ALBERT TERZARIAL and MARY ALICE TERZARIAL, husband and wife,

of Lake County

as MORTGAGOR,

Mortgages and warrants to

ALBERT TERZARIAL

of Lake County

Indiana, as MORTGAGEE,

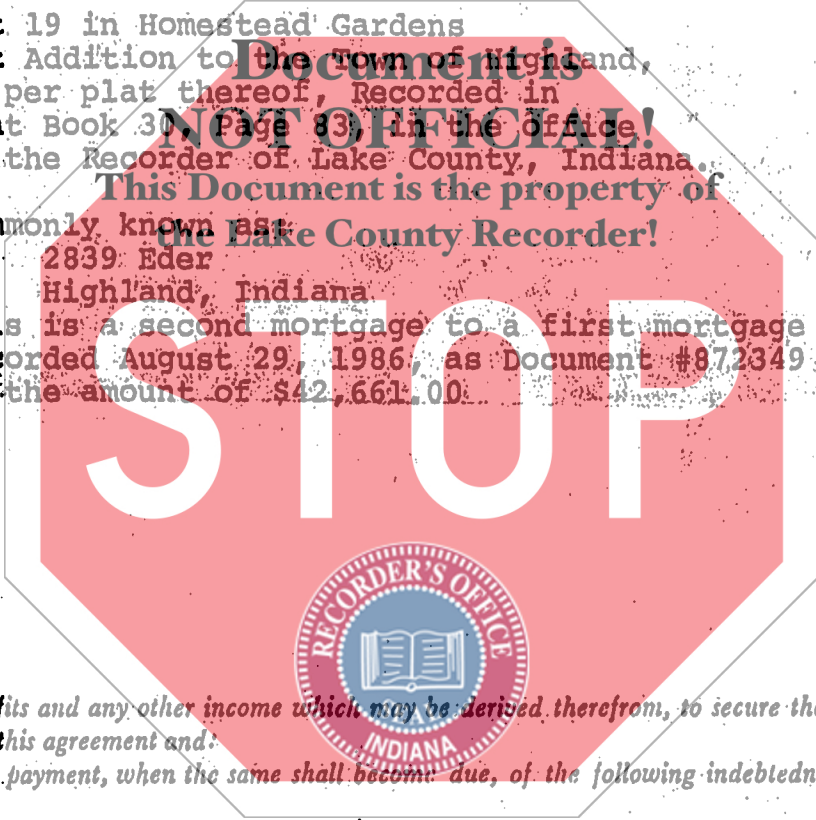
the following real estate in Lake State of Indiana, to wit:

County

Lot 19 in Homestead Gardens
1st Addition to the Town of Highland,
as per plat thereof, recorded in
Plat Book 30, Page 83, in the office
of the Recorder of Lake County, Indiana.

This Document is the property of
the Lake County Recorder!
Commonly known as:
2839 Eder
Highland, Indiana

This is a second mortgage to a first mortgage
recorded August 29, 1986, as Document #872349
in the amount of \$42,661.00



ROBERT (BOB) FREELAND
RECORDER

MAY 28 9 25 AM '91

STATE OF INDIANA'S SUD
LAKE COUNTY
FILED FOR RECORD

as well as the rents, profits and any other income which may be derived therefrom, to secure the performance of all conditions and stipulations of this agreement and:

A To secure the payment, when the same shall become due, of the following indebtedness of even date herewith:

NINE THOUSAND FIVE HUNDRED NINETY-FOUR and 40/100

with interest at the rate of 12.4 per cent per annum computed monthly during such period when there shall be no delinquency or default in the payment of any moneys to be paid on this obligation but with interest at the rate of eight per cent per annum computed semi-annually during such period when there shall be any delinquency or default in the payment of any moneys to be paid on this obligation and to be computed to the next interest period following such delinquency or default, and said rate shall continue to be paid until all delinquencies and defaults are removed by the beginning of a succeeding interest period, all without relief from Valuation and Appraisal Laws, and with attorney's fees;

B Also securing any renewal or extension of such indebtedness;

C Also securing all future advances to the full amount of this mortgage;

D Also securing all indebtedness or liabilities incurred by the holder hereof for the protection of this security or for the collection of this mortgage.

Mortgagor agrees to pay to Mortgagee, in addition to the regular payments, an amount in equal monthly installments which will cover future payments of taxes, insurance and assessments against said real estate; and these payments shall constitute a trust fund out of which all future taxes, insurance and assessments shall be paid by Mortgagee so far as it shall cover such payments, and any deficiency shall be paid by Mortgagor as and when the payments become due, and any permanent surplus shall be credited to the principal.

Mortgagor further covenants and agrees as follows:

1. To keep all buildings, fixtures and improvements on said premises, now or hereafter erected thereon, and all equipment attached to or used in connection with the fixtures on said premises herein mortgaged insured against loss or damage by fire, windstorm and extended coverage in such sums and with such insurers as may be approved by Mortgagee as a further security for said indebtedness, which insurance policy or policies shall carry a mortgage clause with loss payable to Mortgagee in form satisfactory to Mortgagee to be delivered to possession of Mortgagee to be held continuously through period of the existence of said indebtedness or any portion thereof.

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2. To exercise due diligence in the operation, management and occupation of said real estate and the improvements thereon and not to remove or suffer to be removed any fixtures and/or appliance, now or hereafter placed on said premises; and to keep said real estate and improvements thereon in their present condition and repair, normal and ordinary depreciation excepted; Mortgagor shall not do or suffer to be done any acts which will impair the security of this mortgage nor any illegal or immoral acts on said premises; and Mortgagee shall have the right to inspect said premises at all reasonable times.

3. The holder of this obligation may renew the same or extend the time of payment of the indebtedness or any part thereof or reduce the payments thereon; and any such renewal, extension or reduction shall not release any maker, endorser, or guarantor from any liability on said obligation.

4. No sale of the premises hereby mortgaged or extension of time for the payment of the debt hereby secured shall operate to release, discharge or modify in any manner the effect of the original liability of the Mortgagor; and any extension of time on this mortgage by Mortgagee or his assigns, without the consent of the holder of any junior lien or encumbrance, shall not operate to cause a loss of the priority of this mortgage over such junior lien. Mortgagee shall be subrogated to any lien or claim paid by moneys advanced and hereby secured.

5. In case any part of the premises is appropriated under the power of eminent domain, the entire amount paid for said portion of the premises so appropriated shall be paid to this Mortgagee.

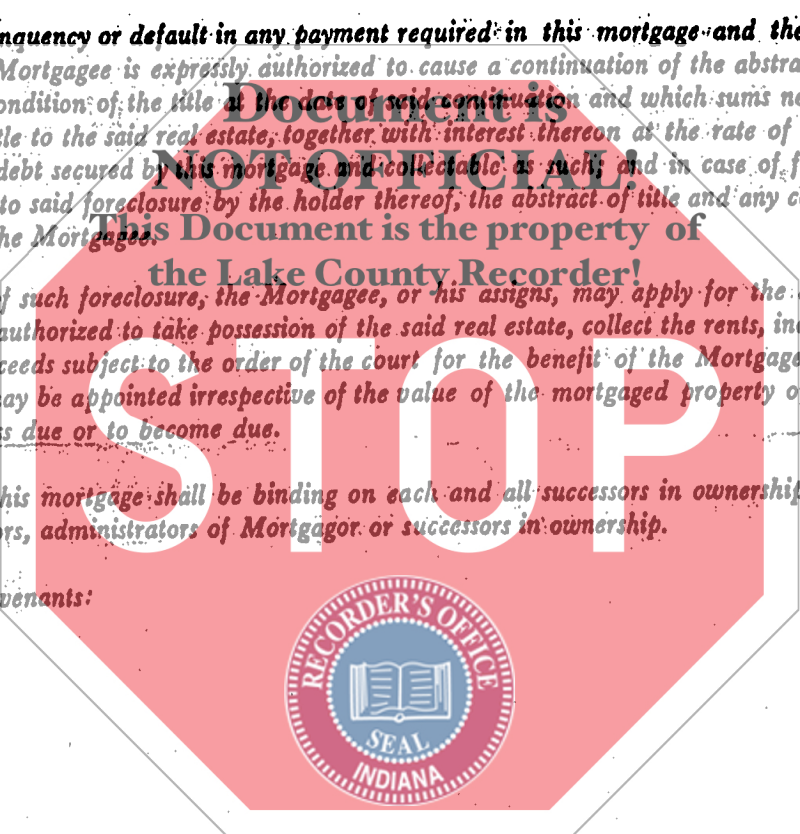
6. It is agreed that time is the essence of this agreement and that, in case of default in the payment of any installment when the same shall become due and payable, the holder of this note and mortgage may, at his option, declare all of the debt due and payable, and any failure to exercise said option shall not constitute a waiver of right to exercise the same at a later date. In the event any proceedings shall be instituted on any junior lien or encumbrance against said real estate, then the Mortgagee herein may immediately declare this mortgage due and payable and institute such proceedings as may be necessary to protect his interest. The lien of this mortgage shall include all heating, plumbing and lighting or other fixtures now or hereafter attached to or used in connection with said premises.

7. In case of delinquency or default in any payment required in this mortgage and the institution of foreclosure proceedings thereunder, Mortgagee is expressly authorized to cause a continuation of the abstract of title at the expense of Mortgagor to show the condition of the title at the date of said continuation and which sums necessarily spent for continuation of the abstract of title to the said real estate, together with interest thereon at the rate of eight per cent per annum, shall become part of the debt secured by this mortgage and collectable as such; and in case of foreclosure and purchase of said real estate pursuant to said foreclosure by the holder thereof, the abstract of title and any continuation thereof shall be the absolute property of the Mortgagee.

8. In the event of such foreclosure, the Mortgagee, or his assigns, may apply for the appointment of a receiver, which receiver is hereby authorized to take possession of the said real estate, collect the rents, income or profit, in money or in kind, and hold the proceeds subject to the order of the court for the benefit of the Mortgagee pending foreclosure proceedings. Said receiver may be appointed irrespective of the value of the mortgaged property or its adequacy to secure or discharge the indebtedness due or to become due.

9. All terms of this mortgage shall be binding on each and all successors in ownership of said real estate, as well as upon all heirs, executors, administrators of Mortgagor or successors in ownership.

10. Additional Covenants:



State of Indiana, Lake County, ss:

Before me, the undersigned, a Notary Public in and for said County and State, this 15th day of May 1991 personally appeared:

ANDREW ALBERT TERZARIAL and MARY ALICE TERZARIAL, husband and wife,

and acknowledged the execution of the foregoing mortgage. In witness whereof, I have hereunto subscribed my name and affixed my official seal. My commission expires _____ 19____

Notary Public

Resident of Lake County

This instrument prepared by Gilbert F. Blackman, Attorney at Law

Mail to: ALBERT TERZARIAL 324 GREGORY AVE. MUMSTER, IN. 46321

Dated this 15 day of May 1991

Andrew Albert Terzarial Seal
ANDREW ALBERT TERZARIAL

Mary Alice Terzarial Seal
MARY ALICE TERZARIAL

Seal

Seal

Seal

Seal

NOTE

US \$9,594.40

Highland, Indiana
May 15, 1991

FOR VALUE RECEIVED, the undersigned ("Borrower") promise(s) to pay ALBERT TERZARIAL or order, the principal sum of NINE THOUSAND FIVE HUNDRED NINETY-FOUR AND 40/100 Dollars, with interest on the unpaid principal balance from the date of this Note, until paid, at the rate of 12.4 percent per annum. Principal and interest shall be payable at _____

_____, or such other place as the Note holder may designate, in consecutive monthly installments of TWO HUNDRED FIFTEEN AND 42/100 Dollars (US \$215.42), on the first day of each month beginning June 1, 1991. Such monthly installments shall continue until the entire indebtedness evidenced by this Note is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on May 1, 1996.

If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to Borrower, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of the Note holder. The date specified shall not be less than thirty days from the date such notice is mailed. The Note holder may exercise this option to accelerate during any default by Borrower regardless of any prior forbearance. If suit is brought to collect this Note, the Note holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorney's fees.

Borrower may prepay the principal amount outstanding in whole or in part. The Note holder may require that any partial prepayments (i) be made on the date monthly installments are due and (ii) be in the amount of that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless the Note holder shall otherwise agree in writing.

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address stated below, or to such other address as Borrower may designate by notice to the Note holder. Any notice to the Note holder shall be given by mailing such notice by certified mail, return receipt requested, to the Note holder at the address stated in the first paragraph of this Note, or at such other address as may have been designated by notice to Borrower.

The indebtedness evidenced by this Note is secured by a Mortgage, dated May 15, 1991, and reference is made to the Mortgage for rights as to acceleration of the indebtedness evidenced by this Note.

2839 Eder
Highland, Indiana 46324
Property Address

 (Seal)
ANDREW ALBERT TERZARIAL

 (Seal)
MARY ALICE TERZARIAL

(Execute Original Only)

MAIL TO: ALBERT TERZARIAL
324 GREGORY AVE.
MUNSTER, IN. 46321