

9

451855CP

(2)

HORACE MANN-AMBRIDGE
NEIGHBORHOOD IMPROVEMENT ORGANIZATION
"PROJECT PRIDE AND HOPE"

91053558

SECOND MORTGAGE

CHICAGO TITLE INSURANCE COMPANY
INDIANA DIVISION

This Second Mortgage made as of the 17th day of October 1991, between Bernice Clark (hereinafter called, and if more than one party jointly and severally hereinafter called "Mortgagor"), residing at Gary, Lake County, Indiana and Horace Mann Ambridge Neighborhood Improvement Organization, Inc. (H.M.A.N.I.O., Inc.) (Hereafter called " Mortgagee").

WITNESSETH, that to secure the payment of an indebtedness in the amount of Fifteen Thousand Dollars (\$15,000.00), which shall be payable in accordance with a certain note, (hereinafter called "Note"), bearing even date herewith, a true and correct copy of which, exclusive of the signature of the Mortgagor, marked "Schedule A", is annexed hereto and made a part hereof, and all other indebtedness which the Mortgagor is obligated to pay to the Mortgagee pursuant to the provisions of the Note and this Mortgage, the Mortgagor hereby grants, conveys and mortgages to the Mortgagee the following described property, to-wit:

Key # 44-0095-0011

Gary Land Company's 1st Subdivision
North 10 ft. Lot 16 Block 95
All of Lot 17 Block 95
As shown in Plat Book 6, Page 15 in Lake County, Indiana
and commonly known as 436 Polk Street, Gary, Indiana

SUBJECT to a prior mortgage dated October 17, 1991, executed by Mortgagor to Bank One Merrillville, NA as Mortgagee covering the subject property and securing the payment of a certain Note in the principal amount of Dollars (\$25,000.00) to which this Mortgage is subordinate and inferior.

TOGETHER with all appurtenances thereto and all the estate and rights of the Mortgagor in and to such property or in anywise appertaining thereto; all buildings and other structures now or hereafter thereon erected or installed, and all fixtures and articles or personal property now or hereafter attached to, or used in, or in the operation of, any such land, buildings or structures which are necessary to the complete use and occupancy of such buildings or structures for the purposes for which they were or are



RECORDED
OCT 16 10 01 AM '91

22.00

to be erected or installed, including, but not limited to, all heating, plumbing, bathroom, lighting, cooking, laundry, ventilating, refrigerating, incinerating and air-conditioning equipment and fixtures, and all replacements thereof and additions thereto, 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;

TOGETHER, with any and all awards now or hereafter made for the taking of the property mortgaged hereby, or part thereof (including any easement), by the exercise of the power of eminent domain, including any award for change of grade of any street or other roadway, which awards are hereby assigned to the Mortgagee and are deemed a part of the property mortgaged hereby, and the Mortgagee is hereby authorized to collect and receive the proceeds of such awards, to give proper receipts and acquittances therefor, and to apply the same toward the payment of the indebtedness secured by this Mortgage, notwithstanding the fact that the amount owing thereon may not then be due and payable; and the Mortgagor hereby agrees, upon request, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning each such award to the Mortgagee, free, clear and discharged of any encumbrances of any kind or nature whatsoever; and

TOGETHER, with all right, title and interest of the Mortgagor in and to the land lying in the streets and roads in front of and adjoining the above described land (all the above described land, buildings, other structures, fixtures, articles of personal property, awards and other rights and interests being hereinafter collectively called the "mortgaged property").

TO HAVE AND TO HOLD the mortgaged property and every part thereof unto the Mortgagee, its successors and assigns forever for the purposes and uses herein set forth.

AND the Mortgagor further covenants and agrees with the Mortgagee, as follows:

1. The Mortgagor will pay when due, all taxes, assessments, water rates and impositions, of every kind and nature whatsoever, now or hereafter imposed on the mortgaged property, or any part thereof, and will pay when due every amount of indebtedness secured by any lien of a prior mortgage to which the lien of this Mortgage is expressly subject.
2. This Mortgage and the Note are executed and delivered to secure monies advanced in full to the Mortgagor by the Mortgagee as or on account of a loan evidenced by the Note, for the purpose of purchasing the mortgaged property described above.

3. No building or other structure or improvement, fixture, or personal property mortgaged hereby shall be removed or demolished without the prior written consent of the Mortgagee. The Mortgagor shall not make, permit or suffer any alteration of or addition to any building or other structure or improvement now or which may hereafter be erected or installed upon the mortgaged property, or any part thereof, nor shall the Mortgagor use, or permit or suffer the use of, any of the mortgaged property for any purpose other than the purpose or purposes for which the same is now intended to be used, without the prior written consent of the Mortgagee. The Mortgagor shall maintain the mortgaged property in good condition and state of repair and shall not suffer or permit any waste to any part thereof, and shall promptly comply with all the requirements of Federal, state and local governments, or of any departments, divisions or bureaus thereof pertaining to such property or any part thereof.

4. The Mortgagor shall not voluntarily create, or permit or suffer to be created or to exist, on or against the mortgaged property, or any part thereof, any lien superior to the lien of this Mortgage, exclusive of the lien, if any, to which this Mortgage is expressly subject, and shall keep and maintain the same free from the claims of all parties supplying labor or materials which shall enter into the construction or installation of any improvements for which Mortgagee has given prior written consent.

5(a). The Mortgagor shall keep all buildings, other structures and improvements, including equipment, now existing of which may hereafter be erected or installed on the land mortgaged hereby, insured against loss by fire and other hazards, casualties and contingencies, in such amounts and manner, and for such periods, all as may be required from time to time by the Mortgagee. Unless otherwise required by the Mortgagee, all such insurance shall be effected by Standard Fire and Extended Coverage Insurance policies. All such insurance shall be carried by companies approved by the Mortgagee and all policies therefor shall be in such form and shall have attached thereto loss payable clauses in favor of the Mortgagee and any other parties as shall be satisfactory to the Mortgagee. All such policies and attachments thereto shall be delivered promptly to the Mortgagee, unless they are required to be delivered to the holder of a lien of a mortgage or similar instrument to which this Mortgage is expressly subject in which latter event certificates thereof, satisfactory to the Mortgagee, shall be delivered promptly to the Mortgagee. The Mortgagor shall pay promptly when due, any and all premiums on such insurance, and shall promptly submit to the Mortgagee for examination receipts or other evidence of such payment as shall be satisfactory to the Mortgagee. The Mortgagee may obtain and pay the premium on (but shall be under no obligation to do so) every kind of insurance required hereby in which event the Mortgagor shall pay to the Mortgagee every premium so paid by the Mortgagor.

(b). In the event of loss or damage to the mortgaged property, the Mortgagor shall give to the Mortgagee immediate notice thereof by mail, and the Mortgagee may file the proof of loss if not otherwise done promptly by or on behalf of the Mortgagor. Each insurance company issuing any such policy is hereby authorized and directed to make payment thereunder for such loss to the Morgagor, and the Mortgagee jointly, unless the amount of loss is payable first to the holder of a lien under a mortgage or similar instrument to which this Mortgage is expressly subject; and the insurance proceeds, or any part thereof, if received by the Mortgagee, may be applied by the Mortgagee, at its option, either in reduction of the indebtedness hereby secured, or to the restoration or repair of the mortgaged property damaged. In the event of foreclosure of this Mortgage, all right, title and interest of the Mortgagor in and to every such insurance policy then in force, subject to the rights and interests of the holder of any such prior lien, shall pass to the grantee acquiring title to the mortgaged property together with such policy and appropriate assignment of such rights and interests and the property which shall be made by the Mortgagor.

Document is
NOT OFFICIAL!
This Document is the property of
the Lake County Recorder!

6. Any and all improvements hereafter made to the mortgaged property shall comply with all applicable municipal ordinances, regulations and rules made or promulgated by lawful authority and with the rules of the Board of Fire Underwriters having jurisdiction.

7. The principal amount owing on the Note, and all other amounts of money owing by the Mortgagor to the Mortgagee pursuant to and secured by this Mortgage, shall immediately become due and payable without notice or demand under the following conditions: appointment of a receiver or liquidator, whether voluntary or involuntary, for the Mortgagor or any of the property of the Mortgagor, or upon the filing of a petition by or against the Mortgagor under the provisions of any state insolvency law, or under the provisions of the Bankruptcy Act of 1898, as amended, unless the indebtedness relating to the mortgaged property is either reaffirmed under Chapter 7 or reorganized under Chapter 13 of the Bankruptcy Act or any other applicable provision of the Act. The Mortgagee is authorized to declare, at its option, all or any part of such indebtedness immediately due and payable upon the happening of any of the following events:

- (a) Failure to pay the amount of any installment of principal and interest, or other charges payable on the Note, secured by prior mortgage dated October 17, 19 91, executed by Mortgagor to as Mortgagee which results in the initiation of foreclosure proceedings against the mortgaged property;

- (b) Failure of the Mortgagor to perform any covenant, agreement, term or condition in any instrument creating a lien upon the mortgaged property, or any part thereof, which shall have priority over the lien of this Mortgage, except that lien to which this mortgage is subject;
- (c) The Mortgagee's discovery of the Mortgagor's failure in any application of the Mortgagor to the Mortgagee to disclose any fact deemed by the Mortgagee to be material, or of the making therein, or in any of the agreements entered into by the Mortgagor with the Mortgagee (including, but not limited to, the Note and this Mortgage) of any misrepresentation by, on behalf of, or for the benefit of, the Mortgagor;
- (d) The sale, lease or other transfer of any kind or nature of the mortgaged property, or any part thereof, without the prior written consent of the Mortgagee;
- (e) The refinancing of the prior mortgage for the purposes of equity withdrawal, in which case the amount due and owing under this Note shall be equal to the amount of the equity withdrawal.

The Mortgagee's failure to exercise any of its rights hereunder shall not constitute a waiver thereof. All the events in this Paragraph enumerated upon the happening of any of which the Note shall become, or may be declared to be, immediately due and payable, are in this Mortgage called "events of default".

8. The Mortgagee may from time to time cure each default under any covenant or agreement in any instrument creating a lien upon the mortgaged property, or any part thereof, which shall have priority over the lien of this Mortgage, to such extent as the Mortgagee may exclusively determine, and each amount paid (if any) by the Mortgagee to cure any such default shall be paid by the Mortgagor to the Mortgagee; and the Mortgagee shall also become subrogated to whatever rights the holder of the prior lien might have under such instrument.

9(a). After the happening of any default hereunder, the Mortgagor shall, upon demand of the Mortgagee, surrender possession of the mortgaged property to the Mortgagee, and the Mortgagee may enter such property, and let the same and collect all the rents therefrom which are due or to become due, and apply the same, after payment of all charges and expenses, on account of the indebtedness hereby secured, and all such rents and all leases existing at the time of

such default are hereby assigned to the Mortgagee as further security for the payment of the indebtedness secured hereby; and the Mortgagee may also dispossess, by the usual summary proceedings, any tenant defaulting in the payment of any rent to the Mortgagee.

(b) In the event that the Mortgagor occupies the mortgaged property, or any part thereof, the Mortgagor agrees to surrender possession of such property to the Mortgagee immediately after any such default hereunder, and if the Mortgagor remains in possession after such default, such possession shall be as a tenant of the Mortgagee, and the Mortgagor shall pay in advance, upon demand by the Mortgagee, a reasonable monthly rental for the premises occupied by the Mortgagor, as established by the Mortgagee, taxes, assessments, water rates, other governmental charges, and insurance premiums payable in connection with the mortgaged property during such year, and upon the failure of the Mortgagor to pay such monthly rental, the Mortgagor may also be dispossessed by the usual summary proceedings applicable to the property. This covenant shall become effective immediately upon the happening of any such default, as determined in the sole discretion of the Mortgagee, who shall give notice of such determination to the Mortgagor; and in the case of foreclosure and the appointment of a receiver of the rents, the within covenant shall inure to the benefit of such receiver.

10. The Mortgagee in any action to foreclose this Mortgage shall be entitled to the appointment of a receiver without notice, as a matter of right and without regard to the value of the mortgaged property, or the solvency or insolvency of the Mortgagor or other party liable for the payment of the Note and other indebtedness secured by this Mortgage.

11. The Mortgagor, within ten (10) days upon request in person, or within twenty (20) days upon request by mail, shall furnish promptly a written statement in a form satisfactory to the Mortgagee, signed by the Mortgagor and duly acknowledged, of the amount then owing on the Note and other indebtedness secured by this Mortgage, as well as that due and owing under any prior note on the mortgaged property and whether any offsets or defenses exist against such indebtedness or any part thereof.

12. The Mortgagor shall give immediate notice by registered or certified mail to the Mortgagee of any fire, damage or other casualty affecting the mortgaged property, or of any conveyance, transfer or change in ownership of such property, or any part thereof.

13. Notice and demand or request may be made in writing and may be served in person or by mail.

SCHEDULE A

HORACE MANN-AMBRIDGE
NEIGHBORHOOD IMPROVEMENT ORGANIZATION
"PROJECT PRIDE AND HOPE"

Property Address:

PROMISSORY NOTE

(Under the Nehemiah Housing
Opportunity Program)

Loan Number:

Place Executed:

Date Executed:

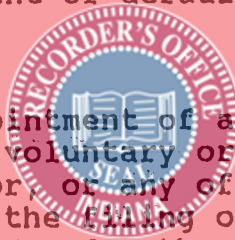
Amount: \$15,000.00

Document is
NOT OFFICIAL!

FOR VALUE RECEIVED, the undersigned Borrower(s) jointly and severally promise to pay to the Lender, the Lake County Recorder of Horace Mann Ambridge Neighborhood Improvement Organization Inc., or his or her successors and assigns (herein called "Lender"), the principal sum of Fifteen Thousand Dollars (\$15,000.00), or such lesser amount as may be endorsed on this Note on behalf of Lender.

Payments of principal shall be made at such place as Lender may designate in writing and shall become due and owing only upon the occurrence of an event of default. Events of default are described as follows:

- (a) The appointment of a receiver or liquidator, whether voluntary or involuntary, for the Mortgagor, or any of the property of the Mortgagor, or upon the filing of a petition by or against the Mortgagor under the provisions of any state insolvency law, or under the provisions of the Bankruptcy Act of 1898, as amended, unless the indebtedness relating to the mortgaged property is either reaffirmed under Chapter 7 or reorganized under Chapter 13 of the Bankruptcy Act or any other applicable provision of the act;
- (b) Failure to pay the amount of any installment of principal and interest, or other charges payable on the Note, secured by prior mortgage dated _____, 19____, executed by



Mortgagor to Bank One Merrillville NAs Mortgagee which results in the initiation of foreclosure proceedings against the mortgaged property;

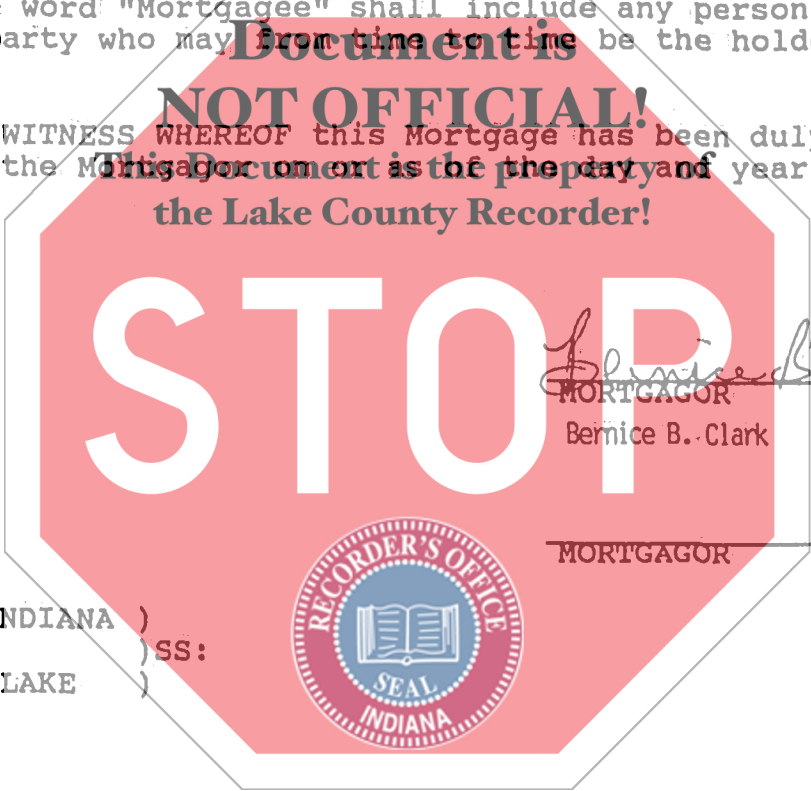
- (c) Failure of the Mortgagor to perform any covenant, agreement, term or condition in any instrument creating a lien upon the mortgaged property, or any part thereof, which shall have priority over the lien of this Mortgage, except that lien to which this mortgage is subject;
- (d) The Mortgagor's discovery of the Mortgagor's failure in any application of the Mortgagor to the Mortgagee to disclose any fact deemed by the Mortgagee to be material, or of the making therein, or in any of the agreements entered into by the Mortgagor with the Mortgagee (including, but not limited to, the Note and this Mortgage) of any misrepresentation by, on behalf of, or for the benefit of, the Mortgagor;
- (e) The sale, lease or other transfer of any kind or nature of the mortgaged property, or any part thereof without the prior written consent of the United States Department of Housing and Urban Development;
- (f) Refinancing of the prior mortgage for the purposes of equity withdrawal, in which case the amount due and owing under this Note shall be equal to the amount of the equity withdrawal.

If Lender exercises its option to declare the entire amount of Borrower's loan immediately due and payable as provided above, Borrower hereby agrees to pay Lender's costs and expenses of collection, including reasonable attorney's fees and court costs. If this Note is reduced to judgement, the judgement shall bear interest at the maximum rate permissible on such judgements in the State of Indiana, or, if there is no such maximum, at the rate of fifteen percent (15%) per annum.

14. In case of a foreclosure sale of the mortgaged property it may be sold in one parcel.

15. This Mortgage and all the covenants, agreements, terms and conditions herein contained shall be binding upon and inure to the benefit of the Mortgagor and the heirs, legal representatives and assigns of the Mortgagor, and, to the extent permitted by law, every subsequent owner of the mortgaged property, and shall be binding upon and inure to the benefit of the Mortgagee and its assigns. If the Mortgagor, as defined herein, consists of two or more parties, this Mortgage shall constitute a grant and mortgage by all of them jointly and severally, and they shall be obligated jointly and severally under all the provisions hereof and under the Note. The word "Mortgagee" shall include any person, corporation or other party who may from time to time be the holder of this Mortgage.

IN WITNESS WHEREOF this Mortgage has been duly signed and sealed by the Mortgagor on this _____ day of _____ year first above written.



Bernice B. Clark
MORTGAGOR
Bernice B. Clark

MORTGAGOR

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)



Before me, the undersigned Notary Public, on this 17th day of October, 1991, personally appeared Bernice B. Clark and acknowledged the execution of the foregoing mortgage.

Star Lugar
NOTARY PUBLIC
Star Lugar

MY COMMISSION EXPIRES:
June 25, 1995
Resident of Lake County, Indiana