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Please Return To: American Trust & Savings Bank, P.O. Box 1310, Whiting, IN 46394
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MORTGAGE

THIS MORTGAGE, made the 31st day of January, 19 92
Witnesseth, That William J. Michaels and Rosanne M. Michaels

hereinafter called Mortgagor, MORTGAGES AND WARRANTS to American Trust & Savings Bank, Whiting, Indiana, An Indiana Banking Corporation; hereinafter with its successors and assigns, called Mortgagee, the property situated in the Town of Munster, in the County of Lake and State of Indiana, legally described as follows, to wit:

Lot 13, block 1, White Oak Manor First Addition to the Town of Munster, as shown in plat book 30, page 65, in the Office of the Recorder in Lake County, Indiana.

Including all buildings and improvements thereon or that may hereafter be erected thereon, together with the hereditaments and appurtenances and all other rights thereunto belonging, or in anywise now or hereafter appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all plumbing, heating and lighting fixtures and equipment now or hereafter attached to or used in connection with herein called Mortgage Premises, and is the security for all of the indebtedness herein mentioned to American Trust & Savings Bank, and is to secure the performance of the covenants herein contained and the payment of the principal sum of ninety six thousand and no/100 DOLLARS.

The indebtedness evidenced by the Mortgagors promissory note bearing even date herewith, which provides for installment payments, with the full debt, if not paid earlier, due and payable on February 25, 2007 and any renewals thereof. If, on the date that final payment is due, and if the mortgage loan is not in default, the customer may, but need not, refinance the balloon payment subject to the following:

- (1) Similar terms and conditions but at a revised interest rate agreeable to both the Mortgagor and the Mortgagee.
- (2) Increased interest rate which may result at the option of the Mortgagee an increase in the regular payment and/or the term of the loan.
- (3) Final payment on the new note will again be the balance due.
- (4) Other sums that may become due the Mortgagee, all without relief from valuation and appraisal laws and with attorney fees, under the terms hereof, are hereinafter referred to as "indebtedness secured hereby".

And the said Mortgagor does covenant and agree to and with said Mortgagee, as follows:

- (1) That the Mortgagor will pay the Mortgagee all indebtedness secured hereby in accordance with the terms of said note and the provisions hereof.
- (2) That said Mortgagor will pay all taxes, assessments and other governmental charges levied against or affecting the Mortgaged Premises before any penalty for non-payment attached thereto, and all levies, tax levies or liens which may be made or placed against the Mortgaged Premises which might in any way affect the security or any part thereof.
- (3) That said Mortgagor will abstain from the commission of waste on the Mortgaged Premises and keep the buildings and improvements thereon in good repair, and promptly comply with all laws, ordinances, regulations and requirements of any governmental authority affecting said premises, and should said Mortgaged Premises or any part thereof require inspection, repair, care or attention of any kind or nature not provided by the Mortgagor, the Mortgagee, being made sole judge of the necessity therefor, may, without obligation to do so, after notice to the Mortgagor, enter or cause entry to be made upon said Mortgaged Premises, and inspect, repair, protect, care for or maintain said Mortgaged Premises to the extent that the Mortgagee may deem necessary; and may pay such sums of money as the Mortgagee may deem to be necessary therefor and it shall be the sole judge of the amount necessary to be paid. Waste, for the purposes hereof, shall include, but not be limited to, the failure of the Mortgagor to pay the taxes, assessments or insurance premiums required to be paid under the terms hereof.
- (4) The Mortgagor will keep all buildings and improvements now or hereafter placed on the Mortgaged Premises insured against loss and damage by fire and other hazards, casualties and contingencies with insurers, and in the amount and manner approved by the Mortgagee; with insurance money in case of loss made payable by the policies to the Mortgagee as its mortgage interest may appear, and deliver all such policies to the Mortgagee with premiums fully prepaid.
- (5) Borrower agrees to pay a delinquency charge on any installment not paid in full within ten (10) days after its scheduled due date in an amount not exceeding the greater of (a) an amount which is five percent of the unpaid amount of the installment due, however not exceeding thirteen & 50/100 dollars, or (b) the Annual Percentage Rate applied to the unpaid amount of the installment for the period that it is delinquent. Borrower agrees to pay interest after maturity at the Annual Percentage Rate stated herein so long as there exists any uncured default hereunder, all without relief from valuation and appraisal laws and with attorney's fees.

SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS

IN WITNESS WHEREOF, the said Mortgagor has hereunto set their seal the day and year first above written.

William J. Michaels
Signature: William J. Michaels

Rosanne M. Michaels
Signature: Rosanne M. Michaels

STATE OF Indiana

Signature _____

COUNTY OF Lake

Signature _____

Before me, the undersigned, a Notary Public in and for said County and State, this 31st day of January, 19 92 came William J. Michaels and Rosanne M. Michaels

Witness My Hand and Official Seal

Patricia L. Babair
Notary Public

My Commission Expires: Feb. 25, 1992
Resident of Lake County.

This instrument prepared by AMERICAN TRUST & SAVINGS BANK. "Sandra J. Kreevich, Assistant Cashier"

CHICAGO TITLE INSURANCE COMPANY
INDIANA DIVISION
FILED

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STATE OF INDIANA

COUNTY OF LAKE

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(6) That if default be made in the payment of any taxes, assessments or other governmental charges assessed against the Mortgaged Premises, or in the payment of levies or tax liens made or levied against the Mortgaged Premises, or in procuring and maintaining insurance required to be maintained on said Mortgaged Premises or paying the premiums therefor, or in keeping the buildings and improvements in good repair, or in providing for the repair, care or attention of the Mortgaged Premises, or complying with the laws, ordinances, regulations and requirements of any governmental body affecting the Mortgaged Premises, or in keeping any other agreement herein contained, the Mortgagee may pay said taxes, assessments and other governmental charges affecting the Mortgaged Premises; may effect such insurance and pay the premiums therefor, make or cause such necessary repairs, care or attention to be given the Mortgaged Premises; may procure abstracts, title searches and tax histories and may cause any one or more of them to be extended from time to time, and the moneys paid for any one or more or all of said purposes shall from the time of payment be due and payable to the Mortgagee with interest thereon at the per annum rate in effect on the Note at the time an advance is made under this paragraph and shall become part of the indebtedness secured hereby.

(7) Should any right, title or interest in the Mortgaged Premises or any part thereof at any time be superior to the right, title and interest of the Mortgagee; or should any tax lien be made or levied against the Mortgaged Premises for delinquent taxes of any kind or nature, or if any breach of warranty with respect to this mortgage shall at any time exist, or should default be made in the prompt and punctual payment of any of the indebtedness secured hereby, or in the performance of any of the covenants or agreements herein contained, or contained in the note or other agreement with Mortgagee, and should such default continue for thirty (30) days; all of the indebtedness secured hereby shall, at the option of the mortgagee and without notice, become and be due and payable immediately, notwithstanding any provision of said note for this mortgage to the contrary. The commencement by the Mortgagee of proceedings to foreclose this mortgage in any manner authorized by law shall be deemed an exercise of said option unless such proceedings on their face indicate otherwise.

(8) That in the event of the occurrence of any one or more of the events mentioned in paragraph Six hereof, it shall be lawful for the said Mortgagee, its successors and assigns, and it is hereby authorized and empowered to sell or cause to be sold the property hereby mortgaged pursuant to the statute in such case made and provided, and out of the proceeds of said sale to retain all sums then due and payable under the terms of said note and under the terms hereof. The Mortgagor expressly agrees to pay the sum of money above secured and Mortgagee's collection charge and attorneys fees without relief from valuation and appraisal laws.

(9) In order to more fully protect the security of this mortgage:

(A) If requested by the Mortgagee, the Mortgagor will, at the time of closing, deposit with the Mortgagee an amount which, together with the payments specified in subparagraph B of this paragraph, will aggregate a sum sufficient to enable the Mortgagee to pay the real estate taxes and assessments that the Mortgagee estimates will be levied against the Mortgaged Premises during the ensuing tax year, one (1) month before such taxes and assessments become delinquent plus an amount which, together with the payments designated in subparagraph B of this paragraph, will aggregate a sum sufficient to enable the Mortgagee to pay the premiums on the fire and other hazard insurance required to be placed on the Mortgaged Premises one (1) month before the next premium becomes due.

(B) In addition to the monthly payments required to be made upon the indebtedness secured hereby, the Mortgagor shall pay to the Mortgagee a sum equal to 1/12th of the amount of the annual real estate taxes and assessments from time to time estimated by the Mortgagee to be assessed against the Mortgaged Premises plus an amount equal to 1/12 of the annual premiums from time to time required to maintain the fire and hazard insurance required to be placed on the Mortgaged Premises as estimated by the Mortgagee.

Subject to paragraph Nine, all sums received by the Mortgagee pursuant to this paragraph or to paragraph Nine shall be held by the Mortgagee for the account of the Mortgagor and applied to the payment of said taxes, assessments and insurance premiums.

(10) If the total payments made by the Mortgagor to the Mortgagee pursuant to the preceding paragraph for the purposes therein stated, shall exceed the amount at any time required for such purposes, such excess shall be retained by the Mortgagee to make subsequent payments for such purposes. If, however, the total of such payments shall at any time be insufficient to pay such taxes, assessments and insurance premiums when due, the Mortgagor shall one (1) month prior to the due date thereof, pay to the Mortgagee such additional amount as may be necessary to make up such deficiency. All sums received by the Mortgagee under the preceding paragraph, and held by it at the time when the Mortgagor shall desire to pay the indebtedness secured hereby in full, may be applied by the Mortgagee upon such indebtedness. In the event the Mortgagee shall determine to foreclose this Mortgage, it may, in such event, apply all sums held by it for the payment of taxes, assessments and insurance premiums on the indebtedness secured hereby in any manner at its sole discretion.

(11) No Sale of the premises hereby mortgaged, no forbearance on the part of the Mortgagee, and no extension of the time for the payment of the debt hereby secured, given by Mortgagee, shall operate to release, discharge, modify, change or affect the original liability of Mortgagor, nor shall the lien of this instrument be altered thereby. In the event of the sale or transfer by operation of law, or otherwise, of all or any part of said Mortgaged Premises, said Mortgagee is hereby authorized and empowered to deal with such vendee or transferee with reference to said premises, or the debt secured hereby, or with reference to any of the terms or conditions hereof, as fully and to the same extent as it might deal with the original parties hereto and without in any way releasing or discharging any of the liabilities or undertakings hereunder.

(12) That the Mortgagor will furnish to the Mortgagee:

(A) Within ninety (90) days after each fiscal year of said Mortgagor, a detailed report of the operations of said Mortgagor for such year, including a balance sheet and statements of profit and loss and surplus of said Mortgagor, unaudited, but certified as correct by an authorized representative of said Mortgagor.

(B) Promptly, such other information as said Mortgagee, its successors or assigns, may reasonably request.

(13) Transfer of the Property: Assumption: If all or any part of the Property or an interest therein is sold or transferred by Mortgagor without Mortgagee's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for equipment, (c) the transfer by devise, descent or by operation of law upon the death of a joint tenant or (d) the grant of any leasehold interest of three years or less not containing an option to purchase, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable. Mortgagee shall have waived such option to accelerate if, prior to the sale or transfer, Mortgagee and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Mortgagee and that the interest payable on the sums secured by this Mortgage shall be at such rate as Mortgagee shall request. If Mortgagee has waived the option to accelerate provided in this paragraph, and if Mortgagor's successor in interest has executed a written assumption agreement accepted in writing by Mortgagee, Mortgagee shall release Mortgagor from all obligations under this Mortgage and the Note.

(14) It is further agreed that in case Mortgagee herein shall be a party to any suit filed in any court by reason of its being Mortgagee herein, or is at any time called upon to defend said Mortgage and interest in and to said property under the terms of said Mortgage, the Mortgagor will pay unto the Mortgagee all expenses incurred by said Mortgagee, including a reasonable attorney fee, in so defending its interest in said property by reason of said Mortgage, in protecting the lien thereof, or in protecting itself in said suit.

The covenant herein contained shall bind, 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 and the use of any gender shall be applicable to all genders.