

MORTGAGE

93019456

THIS MORTGAGE is made this Ninth day of December 19 92 Between the Mortgagor(s) VINCENT J. MERCALDO, JR. AND ALETHA D. MERCALDO (herein "Borrower") and the Mortgagee, CRAFTER CORPORATION, a corporation organized and existing under the laws of Indiana, licensed to do business in Illinois whose address is 1252 West 127th Street, Calumet Park, Illinois 60643 (herein "Lender")

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 8,520.00 which indebtedness is evidenced by Borrower's contract dated NOVEMBER 18, 1992 and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid; due and payable on April 1, 2000

TO SECURE to Lender the repayment of the indebtedness evidenced by the Contract, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained; Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of LAKE State of INDIANA INDIANA.

Situated in the City of Merrillville, County of Lake, and State of Indiana, and is further described as follows:

Lot 6, Block 7, Meadowdale Subdivision, as shown in Plat Book 31, page 51, Lake County, Indiana.

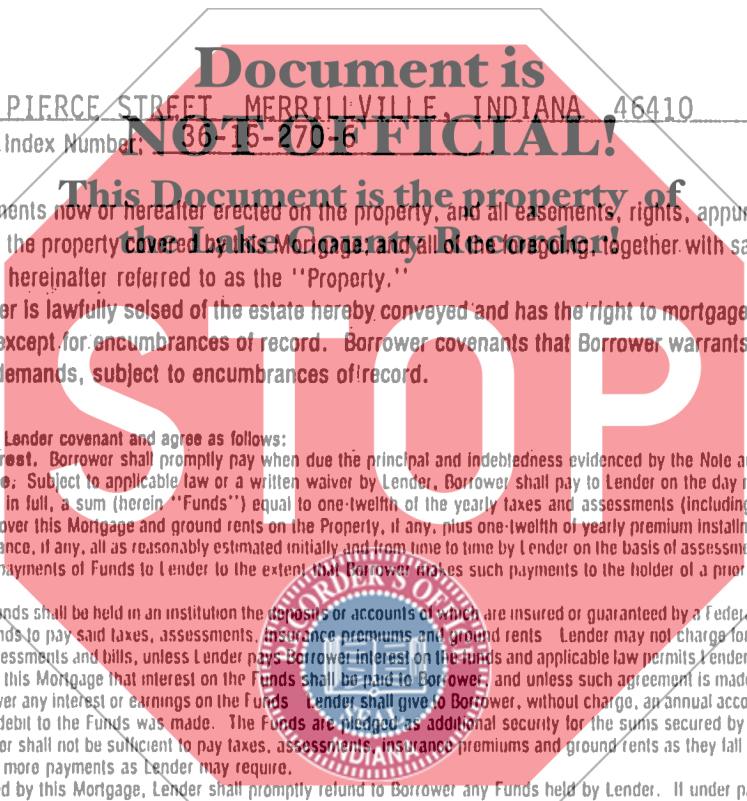
which has the address of 5318 PIERCE STREET, MERRILLVILLE, INDIANA 46410 (herein "Property address") Parcel Index Number 36-5-270-6

TOGETHER with all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the property covered by this Mortgage and all of the foregoing together with said property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

- 1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and indebtedness evidenced by the Note and late charges as provided in the Note.
2. Funds for Taxes and Insurance. Subject to applicable law or a written waiver by Lender, Borrower shall pay to Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly taxes and assessments (including condominium and planned unit development assessments, if any) which may attain priority over this Mortgage and ground rents on the Property, if any, plus one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender.
3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amount payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.
4. Prior Mortgages and Deeds of Trust; Charges; Liens. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.
5. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Lender may require and in such amounts and for such periods as Lender may require.
6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.
7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorney's fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.
8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.
9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.
10. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.
11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Contract, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the contract or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Contract without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.



RECORDED NOV 17 6 1992 STATE OF INDIANA

93019457

900

12. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein; and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

13. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the Laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Contract conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

14. **Borrower's Copy.** Borrower shall be furnished a confirmed copy of the Contract and of this Mortgage at the time of execution or after recordation hereon.

15. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair, or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

16. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by Lender if exercise is prohibited by federal laws as of the date of this Mortgage.

17. **Acceleration.** Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Mortgage without further notice or demand on Borrower.

18. **Assignment of Rents; Appointment of Receiver.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable. Upon acceleration under paragraph 17 hereof or abandonment of the Property, Lender shall be entitled to either take possession or have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collections of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

19. **Release.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower. Borrower shall pay all costs of recordation, if any.

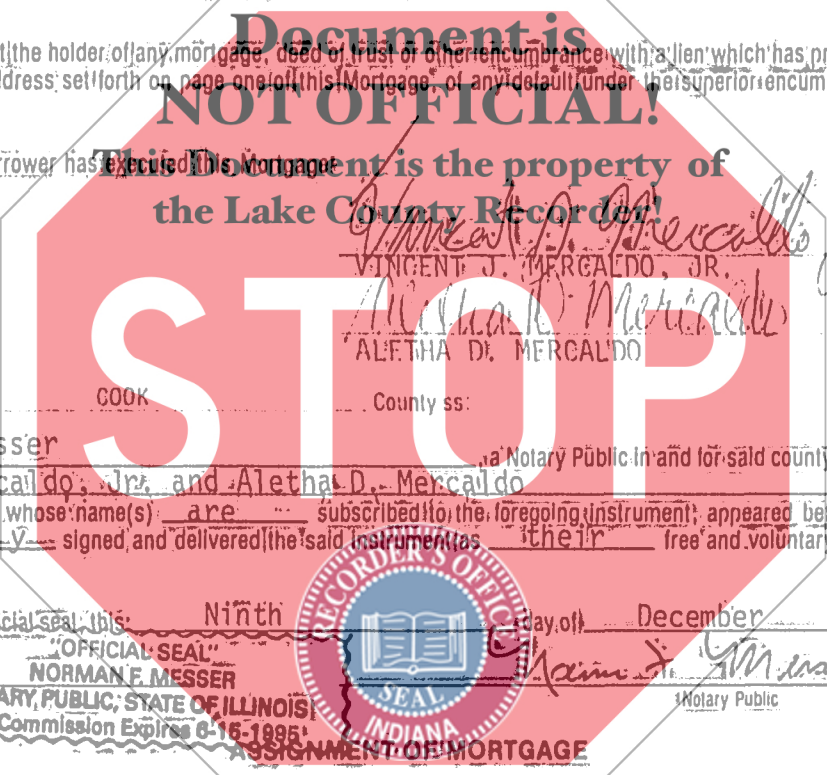
20. **Waiver of Homestead.** Borrower hereby waives all right of homestead exemption in the Property.

REQUESTS FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under this superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has Executed this Mortgage Document is the property of the Lake County Recorder!

Vincent J. Mercaldo, Jr.
VINCENT J. MERCALDO, JR. - Borrower
Aletha D. Mercaldo
ALETHA D. MERCALDO - Borrower



STATE OF ILLINOIS, COOK County ss:

I, Norman F. Messer, a Notary Public in and for said county and state, do hereby certify that Vincent J. Mercaldo, Jr. and Aletha D. Mercaldo personally known to me to be the same person(s) whose name(s) are subscribed to the foregoing instrument; appeared before me this day in person and acknowledged that it is he who signed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this Ninth day of December, 1992.
My Commission Expires 93019457
NORMAN F. MESSER
NOTARY PUBLIC, STATE OF ILLINOIS
My Commission Expires 6-15-1995
ASSIGNMENT OF MORTGAGE



FOR VALUE RECEIVED, the annexed Mortgage to CRAFTER CORPORATION which is recorded in the office of the Recorder of County Illinois as Document Number and the contract described therein which it secures are hereby assigned and transferred to Home Owners Security Corporation without recourse upon the mortgage.

IN TESTIMONY WHEREOF, the said CRAFTER CORPORATION hath hereunder caused its corporate seal to be affixed and these presents to be signed by its President and attested to by its Secretary this Twenty-fourth day of March, 1993

By: *[Signature]* Pres.
Attest: *[Signature]* Secy.
State of Illinois)
County of COOK)

STATE OF ILLINOIS
LAKE COUNTY
RECORDER
9 21 AM '93

I, the undersigned, a Notary Public in and for said County in the State aforementioned, DO HEREBY CERTIFY THAT: the persons whose names are subscribed to the foregoing instrument, are personally known to me to be duly authorized officers of the CRAFTER CORPORATION and THAT THEY appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument in writing as duly authorized officers of said corporation and caused the corporate seal of said corporation to be affixed thereto pursuant to authority given by the Board of Directors of said Corporation as their free and voluntary act and deed of said Corporation for the uses and purposes therein set forth. Given under my hand and notarial seal, this day and year first above written.

My Commission Expires: *[Signature]* Notary Public

This Instrument prepared by: CRAFTER CORPORATION, 1252 West 127th Street, Calumet Park, Illinois 60643
Return to HOMEOWNERS SECURITY CORP. P.O. BOX 225 LANSING, ILLINOIS 60438

93019456