

MORTGAGE

MORTGAGE, made this 5th day of January, 1995, between DAVID M. KELDING and PAMELA K. KELDING, Husband and Wife of 943 May Street, Hammond, IN 46320 hereinafter (whether one or more in number) called mortgagor, and Aetna Finance Company, a Delaware Corporation, having a place of business located at 605 Highway 169 N., Minneapolis, Minnesota 55440, hereinafter called mortgagee:

WITNESSETH, That mortgagor, in consideration of a loan from mortgagee evidenced by a Note bearing even date herewith in the amount of Thirty-two thousand dollars (\$32,000.00), (Note made under mortgagee's assumed name, ITT Financial Services) receipt of the proceeds of which loan is hereby acknowledged, does by these presents jointly and severally mortgage and warrant unto mortgagee, forever, the following described real estate in LAKE County, State of Indiana:

LOT 9 AND THE EAST 1/2 OF LOT 10 IN BLOCK 1 IN V.H. MESSENGERS SUBDIVISION, IN THE CITY OF HAMMOND, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 2, PAGE 43, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

MORE COMMONLY KNOWN AS: 943 May Street Hammond, IN 46320

95001552

AMASA G. COLBY CHIEF DEP. RECORDER

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STATE OF INDIANA LAKE COUNTY FILED FOR RECORD



Together with all buildings and improvements hereon, together with all fixtures, issues and profits thereof, and all screens, awnings, shades, storms, sash and blinds, and all heating, lighting, plumbing, gas, electric, ventilating, refrigerating and air-conditioning equipment used in connection therewith, all of which, for the purpose of this mortgage, shall be deemed fixtures and subject to the lien hereof, and the hereditaments and appurtenances pertaining to the property above described, all of which is referred to hereinafter as the "premises" or the "mortgaged premises".

TO HAVE AND TO HOLD the premises unto mortgagee, its successors and assigns, forever, for the purposes, and upon the uses herein set forth.

The mortgagor hereby covenants that the mortgagor is seized of a good title to the mortgaged premises in fee simple and has authority and power to convey the same, free and clear of all incumbrances, except as follows:

and the mortgagor will forever warrant and defend the same to the mortgagee against all claims whatsoever.

PROVIDED ALWAYS, and these presents are upon this express condition, that if the mortgagor shall pay or cause to be paid to the mortgagee the indebtedness as expressed in the above described Note secured hereby, according to the terms thereof and all renewals and extensions thereof, and all other present and future indebtedness (except subsequent consumer credit sales) of mortgagor to mortgagee, all without relief from valuation or appraisal laws and all of such indebtedness being herein collectively referred to as the "indebtedness hereby secured," and shall make all other payments and perform all other terms, conditions, covenants, warranties and promises herein contained, then these presents shall cease and be void.

The mortgagor covenants with the mortgagee that the interests of the mortgagor and of the mortgagee in the premises shall be assessed for taxation and taxed together, without separate valuation, and to pay before they become delinquent all taxes and assessments now or hereafter assessed or levied against this mortgage or the indebtedness hereby secured and on the premises described in this mortgage, including every mortgage interest which this mortgagee may have or be deemed to have in such premises by reason of this mortgage, and to deliver to the mortgagee or the mortgagee's representative on demand receipts showing the due payment thereof, hereby waiving and releasing all rights of offsets or deductions against the indebtedness secured by this mortgage because of the payment of such taxes or assessments.

The mortgagor further covenants with the mortgagee to keep the mortgaged premises insured with an insurance company authorized to do business in the State of Indiana for fire and extended coverage for the full insurable value thereof, to pay the premiums thereon when due, and to comply with coinsurance provisions, if any, in insurance policies approved by the mortgagee and such policies of insurance shall contain clauses making the loss payable to the mortgagee as its interest may appear and wherein the mortgagee's interest shall not be invalidated by any act or neglect of the mortgagor or owner of the premises. All policies covering the mortgaged premises shall be deposited with and held by the mortgagee. Loss proceeds, less expenses of collection, shall, at the mortgagee's option, be applied on the indebtedness hereby secured, whether due or not, or to the restoration of the mortgaged premises.

The mortgagor further covenants with the mortgagee:

- 1. To pay the indebtedness hereby secured according to the terms of repayment,
2. To keep the mortgaged premises in good tenantable condition and repair,
3. To keep the mortgaged premises free from liens superior to the lien of this mortgage,
4. Not to commit waste nor suffer waste to be committed,
5. Not to do any act which shall impair the value thereof.

In case any such taxes or assessments remain unpaid after they become delinquent, or in case of failure to keep the mortgaged premises so insured, the approved policies deposited, the insurance premiums paid, or to keep the same in good condition and repair, free from liens and waste, mortgagor authorizes, but does not obligate, mortgagee to cure such defaults, and within a reasonable time after advancing such sums shall state in writing the amount of the sums advanced and other required disclosures, and all or any such sums so paid shall immediately be repaid to the mortgagee and shall, unless so repaid, be added to and deemed part of the indebtedness secured hereby, form a lien upon the real estate described herein, and bear interest at the same rate or rates as the principal indebtedness evidenced by the Note described herein.

11-00

Upon breach or non-performance of any of the terms, conditions, warranties, or promises by the mortgagor herein, or in said Note, which breaches or non-performances materially impair the condition, value or protection of the mortgaged premises, or the mortgagor's ability to pay the indebtedness secured hereby, or upon default in any payment, or if mortgagee deems the indebtedness insecure, the indebtedness, at the option of the mortgagee and without further notice or demand, shall become immediately due and payable.

Upon default, mortgagor agrees to pay all costs of collection permitted by law which are actually incurred by the mortgagee including reasonable attorneys' fees as permitted by law.

Upon commencement or during the pendency of an action to foreclose this mortgage, the court may appoint a receiver of the mortgaged premises, including homestead interest, and may empower the receiver as permitted by law, to take possession and collect the rents, issues, income and profits of said premises during the pendency of said action and until confirmation of sale, and may order such rents, issues, income and profits when so collected, to be held and applied as the court shall from time to time direct.

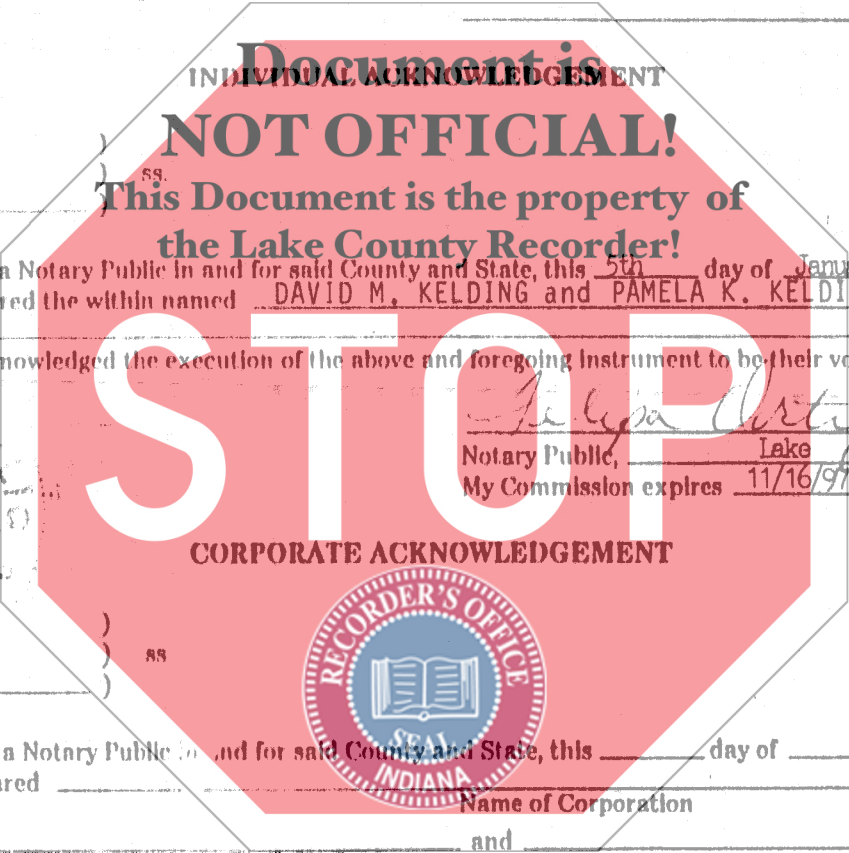
All terms, conditions, covenants, warranties and promises herein shall be binding upon the heirs, legal representatives, successors, and assigns of the mortgagor and shall inure to the benefit of the mortgagee, the mortgagee's successors, and assigns. Each mortgagor and the respective spouse of each mortgagor waives dower, curtesy, homestead and other exemption rights.

Any award of damages under condemnation for injury to, or taking of, any part or all of said mortgaged premises is hereby assigned to mortgagee with authority to apply or release the moneys received, as above provided for insurance loss proceeds.

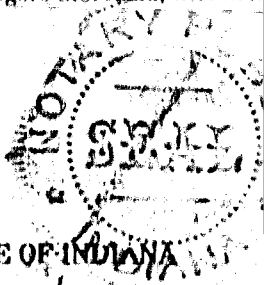
Any provisions hereof prohibited by law shall be ineffective only to the extent of such prohibition without invalidating the remaining provisions hereof.

IN WITNESS WHEREOF, this mortgage has been executed and delivered this 5th day of January, 1995.

Signed and sealed in presence of: Margaret M. Kelding, David M. Kelding (Seal), Pamela K. Kelding (Seal)



STATE OF INDIANA, County of LAKE, Before me, the undersigned, a Notary Public in and for said County and State, this 5th day of January, 1995, personally appeared the within named DAVID M. KELDING and PAMELA K. KELDING, Husband and Wife mortgagors aforesaid, who acknowledged the execution of the above and foregoing instrument to be their voluntary act and deed.



Notary Public, Lake County, Indiana, My Commission expires 11/16/97

STATE OF INDIANA, County of, Before me, the undersigned, a Notary Public in and for said County and State, this ___ day of ___, 1995, personally appeared Name of Corporation, mortgagors aforesaid, by and its President and Secretary respectively, and acknowledged the execution of the above and foregoing instrument.

Notary Public, County, Indiana, My Commission expires

THIS INSTRUMENT WAS PREPARED BY LAW OFFICES OF DAVID E. BAKER, 5185 Broadway, Suite C, Gary, IN 46409

IN-1201 Rev. 9/86

MORTGAGE TO Rec'd for Record at ___ o'clock M. and recorded RECORDER of County, Indiana RELEASE THE CONDITIONS of the within mortgage having been complied with, the undersigned hereby cancels and releases the same this ___ day of ___, 19__