

WHEN RECORDED RETURN TO:

Tina Margeas
Citizens Financial Services, FSB
5311 Hohman Avenue
Hammond, IN 46320

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

96067584

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MARSHALL GLENN
RECORDER

205112

ADJUSTABLE RATE REAL ESTATE MORTGAGE

THIS INDENTURE WITNESSETH, that John L. Black as to that part of captioned premises described in Deed Record June 3, 1993 as Document No. 93042585 and J. L. Black and Associates, Inc. as to the balance (hereinafter called "Mortgagor") mortgages and warrants to CITIZENS FINANCIAL SERVICES, FSB (hereinafter called "Mortgagee") the following described real estate, to-wit:

See attached Exhibit "A"

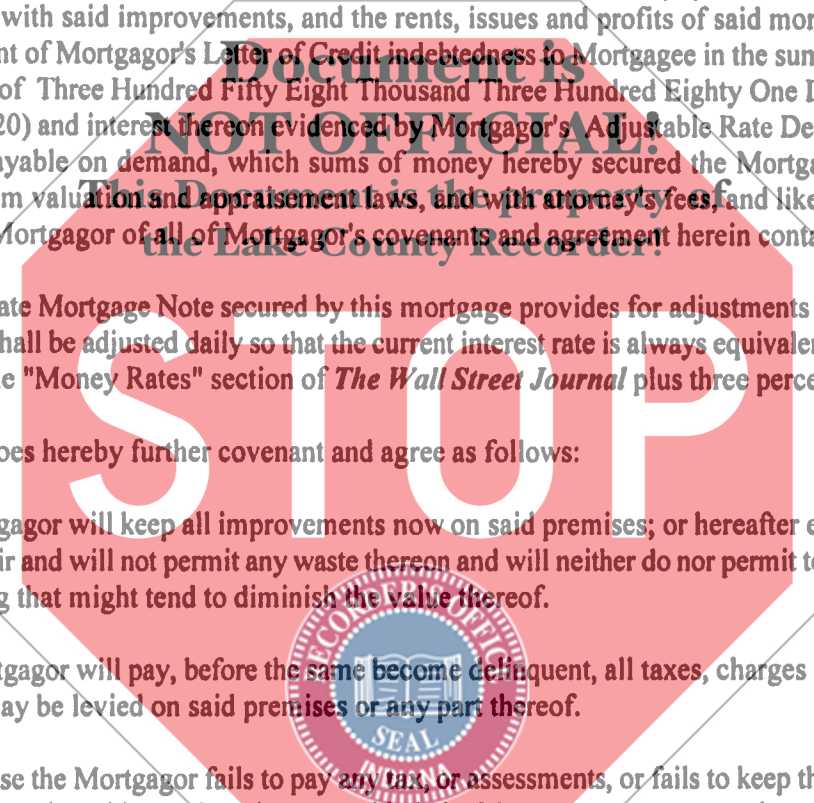
together with all rights, easements, privileges and appurtenances thereunto appertaining and all improvements now or hereafter placed on said property and all fixtures, equipment and appliances used in or in connection with said improvements, and the rents, issues and profits of said mortgaged premises to secure the payment of Mortgagor's Letter of Credit indebtedness to Mortgagee in the sum not to exceed the principal amount of Three Hundred Fifty Eight Thousand Three Hundred Eighty One Dollars and Twenty Cents (\$358,381.20) and interest thereon evidenced by Mortgagor's Adjustable Rate Demand Note of even date herewith, payable on demand, which sums of money hereby secured the Mortgagor agrees to pay, without relief from valuation and appraisal laws, and with attorneys fees, and likewise, to secure the performance by Mortgagor of all of Mortgagor's covenants and agreement herein contained.

The Adjustable Rate Mortgage Note secured by this mortgage provides for adjustments of the interest rate. The interest rate shall be adjusted daily so that the current interest rate is always equivalent to the Prime Rate as published in the "Money Rates" section of *The Wall Street Journal* plus three percentage points.

The Mortgagor does hereby further covenant and agree as follows:

1. The Mortgagor will keep all improvements now on said premises; or hereafter erected thereon in a good state of repair and will not permit any waste thereon and will neither do nor permit to be done upon said premises anything that might tend to diminish the value thereof.
2. That Mortgagor will pay, before the same become delinquent, all taxes, charges and assessments of every kind that may be levied on said premises or any part thereof.
3. That in case the Mortgagor fails to pay any tax, or assessments, or fails to keep the buildings on said premises in good repair and insured as above provided, the Mortgagee may pay such taxes, or assessments, or may redeem said premises from sale for taxes or assessments, make repairs or procure insurance, and may pay, remove or discharge any claim, lien or encumbrance, or may purchase any tax title or claim against said premises, and protect the title and possession thereof, in order to preserve the priority of the lien of this mortgage thereon, and may employ attorneys at law to perform any service connected with the mortgage, or to prosecute or defend any suit affecting or involving this mortgage or the title or possession of said premises, and that all moneys paid for any such purpose and all moneys paid out by the Mortgagee to protect the lien of this mortgage and the security intended to be effected hereby, shall be immediately due and payable with interest thereon and become so much additional indebtedness, secured by this mortgage, provided, however, that it shall not be obligatory upon the Mortgagee to advance funds for any of the purposes aforesaid, or to inquire into the validity of such taxes or assessments, or tax sale (the receipts of the proper officers being conclusive evidence of the validity) and amount thereof or into the necessity of such repairs.

TICOR TITLE INSURANCE
Crown Point, Indiana



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4. That if default be made in the performance of any of the covenants or agreements herein or in said note contained, on the part of the Mortgagor to be kept and performed, then the whole of said indebtedness secured hereby, including all payments for liens, taxes, assessments, insurance, attorneys' fees, costs, charges or expenses, shall at the election of the Mortgagee, and without notice of such election, at once become and be due and payable at the place of payment aforesaid, anything in said note or herein to the contrary notwithstanding and thereupon the Mortgagee shall have the right (either with or without possess), to hold and enjoy said property, and to lease the same or any part thereof upon such terms as it shall deem best, and to collect and receive all the rents issues and profits thereof, and to make alterations, improvements and repairs, effect insurance, pay taxes, assessments and do all such other things as may be deemed necessary for the proper protection of the property; and the Mortgagee shall have the right to foreclose this mortgage and shall have all the other rights and remedies that the law provides.

5. That upon commencement of any foreclosure, or at any time thereafter, and prior to the expiration of the time for redemption from any sale of said premises on foreclosure, any court of competent jurisdiction, upon application of the Mortgagee, may appoint a receiver for said premises to take possession thereof, to collect the rents, issues and profits therefrom during the pendency of such foreclosure, and until the time to redeem the same from foreclosure sale shall have expired, and out of rents, issues and profits, to make necessary repairs and to keep the said premises in proper condition and repair, and to pay all taxes, or assessments, to redeem from tax or assessments sales, to pay insurance premiums necessary to keep said premises insured in accordance with the provisions of this mortgage and to pay the expense of the receivership, and said receiver shall apply the net proceeds to the payment of the indebtedness secured hereby, and such receiver shall have all the other usual powers of receivers in such cases.

6. That in case suit be brought to foreclose this mortgage a reasonable sum shall be allowed to the Mortgagee in such proceeding for attorney's fees, title or other expense incident to such foreclosure proceeding, which several sums shall be so much additional indebtedness secured hereby, and shall be recoverable as such whether the suit proceeds to decree or not and shall be included in the decree entered in such foreclosure.

7. That the Mortgagee, at its option, may extend the maturity of the note and indebtedness secured hereby, or any balance due thereon, from time to time, upon written agreement executed by the Mortgagor, for such further periods, at such rate of interest, and upon such conditions as may then be agreed upon, and no such extension, and no forbearance or delay of the Mortgagee in enforcing any of the provisions of this indenture, shall operate to impair the lien thereof or waive any rights accrued or that might accrue hereunder.

8. That in the event the mortgaged property or any part thereof, be taken by condemnation, the Mortgagee is hereby empowered to collect and receive all compensation which may be paid for damages to any property not taken, and all condemnation money so received shall at Mortgagee's election, be applied either to the reduction of the indebtedness hereby secured, or to the repair and restoration of any property so damaged, provided that any excess over the amount of the indebtedness shall be delivered to the Mortgagor.

9. That Mortgagor hereby assigns to Mortgagee as additional and collateral security for the indebtedness hereinbefore described, all of the rents, issues and profits accruing under any leases now on said property, or which may hereafter be placed thereon, and all leases or sub-leases, rents, issues and profits direct to Mortgagee, to pay said rents, issues and profits direct to Mortgagee, this assignment to become null and void upon release of this mortgage, PROVIDED, however, this assignment shall become effective only upon default by Mortgagor in making payment of any installment of the note hereby secured or in the performance of any of the terms and conditions of this mortgage.

STATE OF INDIANA)

) SS:

COUNTY OF LAKE)

The foregoing instrument was acknowledged before me this 8th day of October, 1996 by John L. Black and acknowledged execution of the foregoing instrument.

Witness my hand and official seal.

Dorisa W. Daniels

Notary Public

Dorisa W. Daniels

My Commission Expires: *2-8-97*

County of Residence: *JASPER*



**Document is
NOT OFFICIAL!**

This Document is the property of

THIS INSTRUMENT PREPARED BY: Brian L. Gonyea, Atty. No. 861645

5311 Hohman Ave., Hammond, IN 46320

STOP

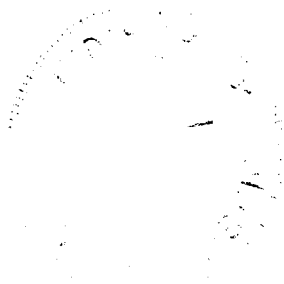


Exhibit "A"

LEGAL DESCRIPTION

Part of the Northeast 1/4 and a part of the Northeast 1/4 of the Southeast 1/4 of Section 22, Township 33 North, Range 9 West of the 2nd Principal Meridian, described as follows: Commencing at the Northeast corner of said Northeast 1/4 of the Southeast 1/4; thence South 00 degrees 06 minutes 00 seconds West along the East line of said Northeast 1/4 of the Southeast 1/4, 3.00 feet; thence North 88 degrees 14 minutes 11 seconds West, 790.09 feet to the point of beginning; thence North 88 degrees 14 minutes 11 seconds West, 537.00 feet to the West line of said Northeast 1/4 of the Southeast 1/4; thence North 00 degrees 02 minutes 29 seconds East along said West line 6 inches to the Southeast corner of the West 1/2 of the Northeast 1/4 of said Section 22; thence North 88 degrees 20 minutes 38 seconds West along the South line of said West 1/2 of the Northeast 1/4, 570.19 feet; thence North 00 degrees 02 minutes 29 seconds East parallel to the East line of said West 1/2 of the Northeast 1/4, 320.00 feet; thence South 88 degrees 20 minutes 38 seconds East, 570.19 feet to the West line of the South 1/2 of the Southeast 1/4 of the Northeast 1/4 of said Section 22; thence North 00 degrees 02 minutes 29 seconds East along said West line, 178.28 feet to the North line of the South 15 acres of said South 1/2 of the Southeast 1/4 of the Northeast 1/4; thence South 88 degrees 21 minutes 11 seconds East along said North line, 977.52 feet, more or less to a point 350.00 feet West of the East line of said Section 22; thence South 00 degrees 06 minutes 00 seconds West parallel to the East line of said Section 22 a distance of 201.67 feet to a line that is 296.75 feet North of and parallel to the South line of the Northeast 1/4 of Section 22; thence North 66 degrees 59 minutes 32 seconds West, 166.95 feet; thence North 88 degrees 20 minutes 38 seconds West, 183.30 feet; thence South 00 degrees 02 minutes 29 seconds West, 159.99 feet; thence North 88 degrees 20 minutes 38 seconds West, 97.67 feet; thence South 01 degrees 39 minutes 22 seconds West, 199.02 feet, more or less to the point of beginning, in Lake County, Indiana.