

NATIONS TITLE AGENCY
OF INDIANA, INC.
9292 N. MERIDIAN ST. SUITE 1100
INDIANAPOLIS, IN 46280

97807654

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD 9710550

97 FEB - 7 AM 9:47

MORRIS W. CARTER
RECORDER



REAL ESTATE MORTGAGE

Name and Address of Mortgagor(s): ROBERT E. HALKO ESTHER J. HALKO	Mortgagee: THE CIT GROUP/CONSUMER FINANCE, INC. 3500 DE PAUW BOULEVARD SUITE 1070 INDIANAPOLIS, IN 46268
321 N LAKE ST GARY, IN 46402	

Loan Number	Date	Date Final Payment Due	Principal Balance
	02/03/97	02/07/27	\$109,650.00

The words "I," "me" and "my" refer to all Mortgagors indebted on the Note secured by this Mortgage. The words "you" and "your" refer to Mortgagee and Mortgagee's assignee if this Mortgage is assigned.

MORTGAGE OF REAL ESTATE

To secure payment of a Note I signed today promising to pay you the Principal Balance as shown above together with interest at the rate set forth in the Note secured by this Mortgage and any modifications, extensions and renewals thereof, each of the persons signing this Mortgage mortgages, grants and conveys to you the real estate described below, and all present and future improvements on the real estate and all easements, rights, appurtenances and rents, which is located in Indiana, County of LAKE (the "Premises").

SEE ATTACHED LEGAL DESCRIPTION (EXHIBIT A)


TERMS AND CONDITIONS:


PAYMENT OF OBLIGATIONS - If I pay my Note according to its terms, this Mortgage will become null and void.

TAXES - LIENS - INSURANCE - MAINTENANCE - I will pay, when they are due and payable, all taxes, security agreements (including mortgages), liens, assessments, obligations, water rates and any other charges against the Premises, whether superior or inferior to the lien of this Mortgage, maintain hazard insurance on the Premises in your favor in a form and amount satisfactory to you and maintain and keep the Premises in good repair at all times during the term of this Mortgage. You may pay any such tax, lien, assessment, obligation, water rates, premium or other charge (including any charge to maintain or repair the Premises) or purchase such insurance in your own name, if I fail to do so.

SEE PAGE 2 FOR ADDITIONAL IMPORTANT TERMS

Signed this 3RD day of FEBRUARY, 1997

 (Seal)
ROBERT E. HALKO

 (Seal)
ESTHER J. HALKO

_____ (Seal)

ACKNOWLEDGMENT

STATE OF INDIANA
COUNTY OF LAKE } ss.

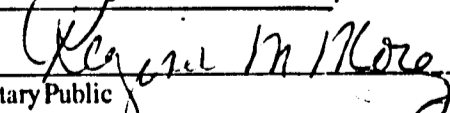
Before me, a Notary Public in and for said County and State, personally appeared ROBERT E. HALKO and ESTHER J. HALKO, and acknowledged the execution of the foregoing mortgage as THEIR voluntary act and deed.

WITNESS my hand and Notarial Seal this 3RD day of FEBRUARY, 1997.

My Commission Expires: _____

My County of Residence: _____

This instrument was prepared by KYM ENFIELD


Notary Public

(Printed Signature) **M. M. MOLEY**
Notary Public
A Resident of Lake Co., IN
My Commission Exp. May 16, 1997

1300
54
CK # 006485

The amount you pay will be due and payable to you on demand, will bear interest at the interest rate set forth in the Note secured by this Mortgage if permitted by law or, if not, at the highest lawful interest rate, will be an additional lien on the Premises and may be enforced and collected in the same manner as the other obligations secured by this Mortgage. The insurance carrier providing the insurance referred to above will be chosen by me subject to your approval which will not be unreasonably withheld. All insurance policies and renewals must be acceptable to you and must include a standard mortgage clause. You will have the right to hold the policies and renewals. If you require, I will promptly give to you all receipts of paid premiums and renewal notices. In the event of a loss, I will give prompt notice to the insurance carrier and you. You may file a proof of loss if not made promptly by me. Insurance proceeds will be applied to the restoration or repair of the Premises damaged or, at your option, the insurance proceeds will be applied to the sums, secured by this Mortgage, whether or not then due, with any excess paid to me. If I abandon the Premises, or do not answer within ten (10) days, a notice from you that the insurance carrier has offered to settle a claim, then you may collect the insurance proceeds. The ten (10) day period will begin when the notice is given.

TITLE - The Premises were conveyed to me by a deed which is to be, or has been, recorded before this Mortgage, and I warrant the title to the Premises. I further warrant that the lien created by this Mortgage is a valid and enforceable first lien, subordinate only to easements and restrictions of record on the date of this Mortgage, and that during the entire term of the indebtedness secured by this Mortgage, such lien will not become subordinate to anything else.

CONDEMNATION - The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation (the taking of my property for a public use) or other taking of any part of the Premises, or for conveyance in lieu of condemnation, are hereby assigned and will be paid to you and are subject to the lien of and secured by this Mortgage. In the event of a taking of the Premises, the proceeds will be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to me. If the Premises are abandoned by me, or if, after notice by you to me that the condemnor offers to make an award or settle a claim for damages, I fail to respond to you within ten (10) days after the date the notice is given, you are authorized to collect and apply the proceeds, at your option, either to the restoration or repair of the Premises, or to the sums secured by this Mortgage, whether or not then due.

DUE ON SALE OR ALTERATION - Except in those circumstances in which Federal law otherwise provides, I will not, without your consent, sell or transfer the Premises or alter, remove or demolish the buildings on the Premises, allow the Premises to deteriorate or commit waste.

DEFAULT - If I default in paying any part of the indebtedness secured by this Mortgage or if I default in any other way under this Mortgage or under the Note which it secures or on any other mortgage which covers the Premises, the entire unpaid principal balance and accrued and unpaid interest and any other amounts I then owe to you under this loan will become immediately due if you desire, without your advising me. If I am required to pay immediately in full as described above, I promise to pay your reasonable attorney's fee, if the loan is referred to an attorney, not your employee, for collection and all other reasonable costs and expenses you actually incur in collecting the loan or foreclosing on this Mortgage, to the extent permitted by law. If any money is left over after you foreclose on this Mortgage and deduct such attorney's fees and all other costs and expenses incurred, it will be paid to the persons legally entitled to it, but if any money is still owing, I agree to pay you the balance.

APPOINTMENT OF RECEIVER AND ASSIGNMENT OF RENTS - I agree that you are entitled to the appointment of a receiver in any action to foreclose on this Mortgage and you may also enter the Premises and take possession of them, rent them if the Premises are not already rented, receive all rents and apply them to the obligations secured by this Mortgage. I assign all rents to you but you agree that I may continue to collect the rents unless I am in default under this Mortgage or the Note.

RIGHTS CUMULATIVE - Your rights under this Mortgage will be separate, distinct and cumulative and none of them will be in exclusion of any other nor will any act of yours be considered as an election to proceed under any one provision of this Mortgage to the exclusion of any other provision.

NOTICES - I agree that any notice and demand may be given to me either in person or by mail.

EXTENSIONS AND MODIFICATIONS - Each of the persons signing this Mortgage agrees that no modification, renewal or extension of time or other variation of any obligation secured by this Mortgage will affect any other obligation under this Mortgage.

APPLICABLE LAW - This Mortgage is made in accordance with, and will be governed by, the laws of the State of Indiana and applicable Federal law.

RECEIPT OF COPY - Each person signing this Mortgage acknowledges receipt of a completed and signed copy of this Mortgage.

BINDING EFFECT - This Mortgage is binding on and inures to both your and my successors and assigns.

SEE PAGE 1 FOR ADDITIONAL IMPORTANT TERMS

LEGAL DESCRIPTION - EXHIBIT A

The land referred to in this Commitment is situated in the State of INDIANA, County of LAKE and is described as follows:

Lots 1, 2 and 3, except that part of Lot 3 described as follows: Beginning at the Northwest corner of said Lot 3; thence Northeasterly along a line making a Northeast angle of 84 degrees 50 seconds with the West line of Lots 3 and 4 in Block "D", a distance of 64.8 feet to a point which is 13.4 feet distant from the Northerly line of said Lot 3; thence Northeasterly along a line which is parallel to the Northerly line of said Lot 3 a distance of 80.1 feet, more or less, to the Easterly line of said Lot 3; thence Northerly along the Easterly line of said Lot 3 a distance of 14.4 feet, more or less, to the Northeast corner of said Lot 3; thence Southwesterly along the Northerly line of said Lot 3, a distance of 148.7 feet, more or less, to the place of beginning; also excepting from said Lot 3 that part described as follows: beginning at a point on the Easterly line of said Lot 3 which is 14.4 feet South from the Northeast corner of said Lot 3; thence South along the Easterly line of said Lot 3 to a point of a distance of 10 feet; thence Southwesterly along a line which is parallel to the Northerly line of said Lot 3 to a point of distance of 80 feet from the Eastern line of said Lot 3; thence Northerly along a line which is perpendicular to the Northerly line of said Lot 3 to a point of a distance of 10 feet; thence Northeasterly along the South line of the formerly deeded portion of said Lot 3 a distance of 80 feet, more or less, ending at the Easterly line of said Lot 3 at the point of beginning; also the East 25 feet of Lot 17, all of Lots 18 and 19, the East 25 feet of Lot 20, all of Lot 24, and the North half of Lots 25, 26, 27, 28, and 29, all in Block "D", Johnson-Kennedy Estates 2nd Subdivision, in the City of Gary, as shown in Plat Book 17, page 15, in Lake County, Indiana.

ALSO KNOWN AS 321 N. LAKE ST, GARY, INDIANA 46402