

97 APR 27 PM 1:33

MORRIS W. CARTER
RECORDER

97025355

WHEN RECORDED MAIL TO:

Transamerica Financial Services
109 West 86th Place
Merrillville, IN 46410

49215760

INDIANA

SPACE ABOVE THIS LINE FOR RECORDER'S USE

REAL ESTATE MORTGAGE

(Closed-end)

THIS MORTGAGE SECURES FUTURE ADVANCES

THIS MORTGAGE is made on April 22, 19 97. The owner(s) of the property who is/are giving this Mortgage (known as the "Mortgagor(s)") is/are Jeffrey L. VanVolkenburgh & Nancy L. VanVolkenburgh (Husband & Wife). This Mortgage is given to Transamerica Financial Services, a California Corporation whose address is 109 West 86th Place, Merrillville, IN 46410

and its successors and assigns (known as the "Mortgagee"). In this Mortgage, the terms "I," "me," "my," "us" and "our" refer to the Mortgagor(s), and the terms "you," "your" and "yours" refer to the Mortgagee.

I owe you the principal sum of Eighty Six Thousand Six Hundred Sixty Nine and 22/100 Dollars (\$ 86,669.22), plus interest. This debt is evidenced

by my Promissory Note (the "Note") dated 4/22/97, which provides for monthly payments, with the full debt, if not paid earlier, due and payable on 5/01/2017. In consideration of this debt, I do hereby MORTGAGE, GRANT and CONVEY to you, and your successors and assigns, the property located in the County of Lake State of Indiana, and more fully described as:

THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS:

LOT 19, CORRECTED PLAT, FOUNTAIN RIDGE 5TH ADDITION TO THE CITY OF CROWN POINT, AS SHOWN IN PLAT BOOK 48, PAGE 94, AND AS AMENDED BY CERTIFICATE OF CORRECTION DATED JUNE 16, 1978 AND RECORDED JUNE 26, 1978 AS DOCUMENT NO. 475640, IN LAKE COUNTY, INDIANA.

which property is more commonly known as (street address) 1422 West 94th Ave (city) Crown Point Indiana (zip code) 46307 ("Property Address"), together with all the improvements now or hereafter erected

on the property, all easements, appurtenances and fixtures now or hereafter a part of the property, and power of sale to the extent permitted by law. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the "Property."

This Mortgage secures to you: (a) the repayment of the debt evidenced by the Note, with interest, and with late charges and other sums payable by me under the Note including prepayment penalties, if any and all refinancing, renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under this Mortgage to protect the Property and our rights in the Property; (c) all other sums which I may owe you under agreements other than the Note, and (d) the performance of my promises and agreements under this Mortgage and the Note, including my promise to pay costs and expenses you incur in enforcing the Note and this Mortgage, including attorneys' fees and costs of collection to the extent permitted by applicable law.

I agree that the indebtedness secured by this Mortgage includes (a) future advances made by you and obligations incurred by me from time to time after the date of this Mortgage, whether made or incurred pursuant to the Note or at your option, and (b) future modifications, extensions, and renewals of the Note and any and all other indebtedness secured by this Mortgage. You and I intend that the lien of this Mortgage with respect to all such future advances and obligations (up to the maximum amount stated below), modifications, extensions, and renewals, will have the same priority to which this Mortgage otherwise would be entitled. Notwithstanding anything contained in this Mortgage or the Note to the contrary, the maximum amount of future advances and obligations secured by this Mortgage is Eighty Six Thousand Six Hundred Sixty Nine and 22/100 Dollars (\$ 86,669.22). This maximum amount applies only to future advances and obligations (including amounts advanced or expended by you under and pursuant to this Mortgage, if and to the extent such advances are or must be treated as future advances or obligations in order to obtain the priority provided therefore under Indiana Code 32-8-11-9), and is in addition to the principal of the Note stated above, and interest, late charges, prepayment charges, and other amounts constituting the indebtedness secured by this Mortgage. This maximum amount is stated herein pursuant to and in accordance with Indiana Code 32-8-11-9 and is not a commitment by you to make future advances or to permit me to incur future obligations to you.

The date on which the debt secured by this Mortgage finally matures is 05/01/2017 (subject to acceleration in accordance with paragraph 16).

I REPRESENT to you that I am the lawful owner of the Property and have the right to mortgage, grant and convey the Property to you as provided in the Mortgage and that the Property is unencumbered, except for encumbrances of record. I warrant and will defend generally the title to the Property against all claims and demands of anyone, subject to any encumbrances of record.

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YOU AND I promise and agree with each other as follows:

- 1. Payment of Principal, Interest and Other Charges.** I shall pay when due the principal of and interest owing under the Note and all other charges due under the Note. Unless otherwise provided in the Note or prohibited by law, all payments received by you shall, at your sole discretion, first be applied to any amounts you pay under paragraph 6 of this Mortgage, then to the payment of taxes and assessments that may have been levied and assessed against the Property, insurance premiums, repairs and all other charges and expenses agreed to be paid by me under this Mortgage or the Note, then to the payment of interest which has accrued as of the date of such payment, and then to principal owing under the Note.
- 2. Payments of Taxes and Insurance.** I will pay, when due, all taxes, assessments, leasehold payments or ground rents (if any), and premiums for hazard insurance on the Property and mortgage insurance (if and to the extent required by you).
- 3. Prior Mortgages; Charges; Liens.** (a) I shall perform all of my obligations under any mortgage, deed of trust or other security instruments with a lien which has priority over this Mortgage (a "Prior Mortgage"), including my promise to make payments when due. I shall not increase, extend, amend or otherwise modify any Prior Mortgage without your prior written consent.

(b) I shall pay all taxes and assessments, leasehold payments or ground rents (if any), fines and charges of any kind against the Property which may attain priority over this Mortgage or any advance under the Note or this Mortgage.

(c) I shall promptly discharge any lien (other than a lien disclosed to you in my application or in any title report you have obtained) which has or attains priority over this Mortgage or any advance to be made under the Note or this Mortgage.

(d) Upon your request, I shall promptly furnish to you all notices of amounts to be paid under this paragraph 3 and receipts evidencing any such payments I make directly.
- 4. Hazard Insurance.** (a) I shall keep the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which you require insurance. This insurance shall be maintained in the amounts and for the periods that you require. I may choose any insurer reasonably acceptable to you. Insurance policies and renewals shall be acceptable to you and shall include a standard mortgage clause. All insurance policies on the Property, whether required by you or not, shall identify you as both "mortgagee" and "less payee". If you require, I shall promptly give you all receipts of paid premiums and renewal notices.

(b) I shall promptly notify the insurer and you of any loss. You may make proof of loss if I do not promptly do so. Insurance proceeds shall be applied to restore or repair the Property damaged if: (i) I am not in default of my obligations under the Note and this Mortgage, (ii) restoration or repair is economically feasible, and (iii) the value of the Property would not be lessened. I shall, upon your reasonable request, deposit proceeds into such trusts accounts or take such other action as you deem necessary with respect to disbursement of the proceeds to assure such proceeds are used for the restoration and or repair of the Property and or any improvements thereon. Otherwise, insurance proceeds shall be applied to sums secured by this Mortgage, whether or not then due, with any excess paid to me. If I abandon the Property, or do not answer within 30 days of your notice to me that the insurer has offered to settle a claim, then you may, but are not obligated to, collect and use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due. The 30-day period will begin when notice is given.

(c) If insurance proceeds are applied to sums secured by this Mortgage, you reserve the right to do so in any order or manner you deem appropriate in our sole judgment. Unless you and I agree otherwise in writing, any application of insurance proceeds to the principal sum of the Note shall not require you to extend or postpone the due date of monthly payments under the Note or change the amount of such payments. If you acquire the Property at a forced sale following my default, my right to any insurance proceeds resulting from damage to the Property prior to the acquisition shall pass to you to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

(d) If I fail to maintain the insurance coverage required in this Mortgage, you may, at your option and without any obligation to do so, obtain coverage to protect your rights in the Property in accordance with paragraph 6. I understand and agree that the insurance that you purchase pursuant to this paragraph 4(d) and paragraph 6 may provide for coverage that does not protect my interests in the Property, that does not provide for coverage equal to or for the same term as I am required to maintain pursuant to this Mortgage, and that such coverage purchased by you may be more expensive than coverage I would be able to purchase on my own. Any coverage purchased by you will be cancelled upon my providing you with satisfactory proof of my compliance with this paragraph 4. In the event that I have paid for such premium or you have added the premium to my principal, you agree to credit any unearned premium to the principal owing on the Note.
- 5. Preservation and Maintenance of Property; Leaseholds.** I shall not destroy, damage or substantially change the Property or allow the Property to deteriorate or go to waste. If this Mortgage is on a leasehold estate in the Property, I shall fully comply with all terms of the ground lease. If I acquire fee title to the Property, the leasehold and fee title shall not merge unless you agree to the merger in writing.
- 6. Protection of Your Rights in the Property; Inspection.** If I fail to perform the promises and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect your rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then you may do, and pay for, anything necessary to protect the Property's value and your rights in the Property. Your actions may include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Mortgage or any advance under the Note or this Mortgage; (b) appearing in court; (c) paying reasonable attorneys' fees; (d) purchasing insurance covering your interest in the Property; (e) paying any sums which I am required to pay under this Mortgage and entering on the Property to make repairs. If I fail to keep the Property insured as required by paragraph 4 (a), you may purchase insurance to protect the Property against such hazards and in such amounts as you deem appropriate, and such insurance may protect only your interest in the Property. Such insurance may be purchased by you from any insurer licensed to do business in the state where the Property is located, including one of your affiliates, and the premium for such insurance may be more or less than the premium I would pay for hazard insurance I could purchase to protect the Property. You are not obligated to take any action under this paragraph. Any amounts you pay under this paragraph 6 shall become additional debts I owe you and shall be secured by this Mortgage. These amounts shall bear interest from the disbursement date at the rate established under the Note and, at your option, shall be either payable on demand or added to the outstanding principal balance of the Note. My failure to perform the promises and agreements contained in this Mortgage, including the failure to maintain insurance or pay property taxes shall be and remain a default under this Mortgage, notwithstanding the payment by you of any amount pursuant to this paragraph. If we pay any amount pursuant to this paragraph we may, at our option and to the extent permitted by applicable law, reschedule your payments to ensure repayment of the amounts advanced, including increasing the amount or number of payments you are required to make. You may inspect the Property at any reasonable time and upon reasonable notice. Any action you take pursuant to this Paragraph 6 does not obligate you, in any manner, to take the same or similar action at any time in the future.
- 7. Assignment of Rents.** I absolutely assign to and confer on you the right, power and authority to collect any rents and profits of the Property while this Mortgage is in effect, reserving for myself the right prior to any default under this Mortgage to collect and retain such rents and profits as they become due and payable. Upon any such default, you may, either in person, by agents or by a receiver to be appointed by a court, enter upon and take possession of the Property and any part thereof, and sue for or otherwise collect such rents and profits, including those past due and unpaid, and apply the same, less the costs and expenses of operation and collection, to any indebtedness secured by this Mortgage, and in such order as you may determine. The entering upon and taking possession of the Property, the collection of such rents and profits and the application thereof as stated herein, shall not cure or waive any default or notice of default under this Mortgage or invalidate any act taken pursuant to such notice.
- 8. Possession of the Property.** I shall have possession of the Property until you have given me notice of default pursuant to paragraph 16 of this Mortgage, unless applicable law permits me to retain possession for a longer period of time.
- 9. Condemnation.** The proceeds of any award for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance instead of condemnation, are hereby assigned and shall be paid to you. I hereby agree that you are authorized to collect and apply the proceeds, at your option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due, if (i) I am in default of any of my obligations under the Note or this Mortgage, or (ii) the Property is abandoned, or (iii) 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 30 days (or such shorter period as may be stated in such notice) after the date the notice is given. If condemnation proceeds are applied to sums secured by this Mortgage, you reserve the right to do so in any order or manner you deem appropriate in your sole judgment. Unless you and I otherwise agree in writing, any application of proceeds to the principal sum of the Note shall not extend or postpone the due date of the monthly payments payable under the Note or change the amount of such payments.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES AND DEEDS OF TRUST

The Mortgagor and the Mortgagee 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 the Mortgagee, at the Mortgagee's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

BY SIGNING BELOW, I accept and agree to the terms and covenants contained in this Mortgage and any rider(s) executed by me and recorded with it.

Signed, sealed and delivered in the presence of:

Witnesses:

[Signature]

Printed: MICHAEL E. WALKER

[Signature] (Seal)
Mortgagor

Printed: JEFFREY L. VANVOLKENBURGH

[Signature] (Seal)
Mortgagor

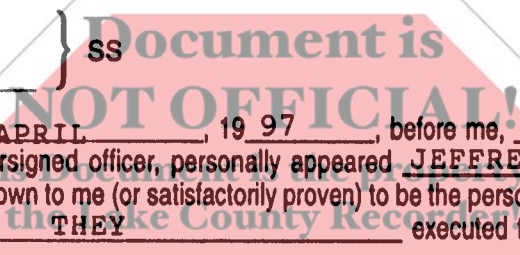
Printed: NANCY L. VANVOLKENBURGH

Printed: _____

STATE OF INDIANA

COUNTY OF LAKE

} ss



On this, the 22 day of APRIL, 19 97, before me, _____, the undersigned officer, personally appeared JEFFREY L. VANVOLKENBURGH AND NANCY L. VANVOLKENBURGH, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that THEY executed the same for purposes herein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My commission expires: 12-17-97

I am a resident of PORTER County, Indiana

[Signature]

Title of Officer: Notary Public

Printed: ROBERTA S. TATE

This instrument prepared by: ARTURO FUENTES

RELEASE OF MORTGAGE

THIS CERTIFIES that the annexed Mortgage to which is recorded in the office of the Recorder of _____ County, Indiana, in Mortgage Record _____, page _____, has been fully paid and satisfied and the same is hereby released.

Witness the hand and seal of said mortgagee, this _____ day of _____, 19 _____

ATTEST:

_____ By _____ (SEAL)
ASSISTANT SECRETARY VICE PRESIDENT

STATE OF INDIANA }
COUNTY OF _____ } ss

Before me, the undersigned, a Notary Public in and for said county, this _____ day of _____, 19 _____, came _____ and

acknowledged the execution of the annexed release of mortgage.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.

My Commission Expires _____ Notary Public.

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10. Transfer of the Property. If all or any part of the Property or any interest in it is sold or transferred or if I enter into a contract to sell or transfer all or any part of the Property or an interest in it without your prior written consent, you may, at your option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by you if exercise is prohibited by Federal or state law as of the date of this Mortgage.

11. Successors and Assigns Bound; Joint and Several Liability; Co-Signers. The promises and agreements made in this Mortgage shall bind and benefit my heirs, personal representatives and permitted assigns. My promises and agreements shall be "joint and several" (that is, they shall be my/our joint obligations and also my/our individual obligations). Anyone who co-signs this Mortgage but does not also co-sign the Note: (a) is co-signing this Mortgage only to mortgage, grant and convey such person's interest in the Property; (b) is not personally obligated to pay the Note, but is obligated to pay all other sums secured by this Mortgage; and (c) agrees that you and anyone else who signs this Mortgage as a Mortgagor may agree to extend, modify, refrain from exercising any rights and/or remedies or make any accommodations regarding the terms of this Mortgage or the Note without such person's consent.

12. Notices. Unless otherwise required by law, any notice to me provided for in this Mortgage shall be hand-delivered or mailed by first class mail to the Property Address or to any other address I designate by written notice to you; and, if mailed, such notice shall be deemed "given" two (2) days following the date of such notice. Unless otherwise required by law, any notice to you shall be hand-delivered or mailed by certified or registered mail to your address stated above or to any other address you designate by written notice to me.

13. Governing Law; Severability. This Mortgage shall be governed by Federal law and, except as preempted by Federal law, by the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Note 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. To this end the provisions of this Mortgage and the Note are declared to be severable.

14. Sale of Note; Change of Loan Servicer. The Note or a partial interest in the Note (together with this Mortgage) may be sold one or more times without prior notice to me. A sale may result in a change in the entity that collects monthly payments due under the Note and this Mortgage (known as the "Loan Servicer"). There also may be one or more changes of the Loan Servicer unrelated to the sale of the Note. If there is a change of the Loan Servicer, I will be given written notice of the change as required by applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any information required by applicable law.

15. Hazardous Substances. (a) I shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. I shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of Hazardous Substances in quantities that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

(b) I shall promptly give you written notice of any release or discovery of hazardous substances, or investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which I have actual knowledge. If I learn or am notified by any government or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, I shall promptly take all necessary remedial actions in accordance with Environmental Law and provide you with written notice thereof.

(c) As used in this Mortgage, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Mortgage, "Environmental Law" means Federal laws and laws of the jurisdiction where the Property is located pertaining to health, safety or environmental protection, and regulations issued with respect thereto.

16. Default; Remedies; Forbearance. (a) I will be in default if (i) any payment required by the Note is not made when it is due; (ii) I default in any of my obligations under this Mortgage; (iii) you discover that I have committed fraud or made a material misrepresentation; or (iv) I take any action or fail to take any action that adversely affects the Property or any rights you have in the Property.

(b) If a default occurs, you may, at your option, give me notice specifying: (i) the default; (ii) the action required to cure the default; (iii) a date at least 10 days from the date the notice is given, by which the default must be cured; and (iv) that failure to cure the default on or before the date specified in the notice may result in all sums secured by this Mortgage becoming immediately due and payable (known as "acceleration") and the foreclosure sale of the Property. To the extent required by law, the notice shall further inform me of any right I may have to reinstate the Note after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense I may have to acceleration and foreclosure.

(c) If the default is not cured on or before the date specified in the notice, you may, at your option, require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by invoking the power of sale or by judicial proceeding, as permitted by law. You shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Mortgage, including, but not limited to, reasonable attorneys' fees, court costs, the costs of documentary evidence, abstracts and title reports and, unless prohibited by law, the costs incurred by you to obtain a current market evaluation of the Property. If the Property is sold at foreclosure sale or otherwise, I will be liable, as permitted by law, for any deficiency remaining after sale of the Property and application of the proceeds of the sale to the indebtedness secured and to foreclosure expenses, including your reasonable attorneys' fees and expenses.

(d) Your forbearance in exercising any right or remedy shall not waive or preclude the subsequent exercise of any right or remedy.

17. Release. Upon payment of all sums secured by this Mortgage, you shall provide me with a release of this Mortgage. If you are required to record the release of this Mortgage, I shall be responsible for the payment of any recording charges.

18. Waivers. To the extent permitted by law, I waive and release any error or defects in proceedings to enforce this Mortgage, and hereby waive the benefit of any present or future laws providing for stay of execution, extension of time, exemption from attachment, levy and sale, and homestead exemption. I specifically waive any homestead rights I now hold or may at any time have during the duration of this Mortgage. This shall not be deemed to be a waiver by us of the time limitations on issuance of process under a judgment or decree of foreclosure set out in Indiana Code § 32-8-16-1 or any successor provisions of the Indiana Code.

19. Reinstatement Period. My time to reinstate this Mortgage following default shall extend to one hour prior to the commencement of bidding at a sheriff's sale or other sale pursuant to this Mortgage.

20. Riders to this Mortgage. If one or more attachments to this Mortgage (known as "riders") are executed by me and recorded together with this Mortgage, the promises and agreements contained in each such rider shall be incorporated into and shall amend and supplement the promises and agreements of this Mortgage as if the rider(s) were part of this Mortgage.

21. Waiver of Jury Trial. You and I, by your acceptance hereof, do hereby knowingly, voluntarily, irrevocably, unconditionally and intentionally waive the right to trial by jury in respect of any litigation based hereon, or arising out of, under or in connection with this Mortgage and all other documents executed in connection herewith or any course of conduct, course of dealings, statements (whether verbal or written) or actions of any person; this irrevocable waiver of the right to jury trial is a material inducement for you to make the loan secured hereby.

22. Time Is Of The Essence. You and I agree that time is of the essence with respect to the obligations contained in this Mortgage.