

INSTRUMENT PREPARED BY/RETURN TO:  
Empire Funding Corp.  
5000 Plaza on the Lake, Suite 100  
Austin, Texas 78746  
Prepared by: KIM TAYLOR  
Signature: [Signature]

Return Recorded Documents To:  
**EMPIRE FUNDING CORP.**  
9737 Great Hills Trail  
Austin, TX 78759

85821611

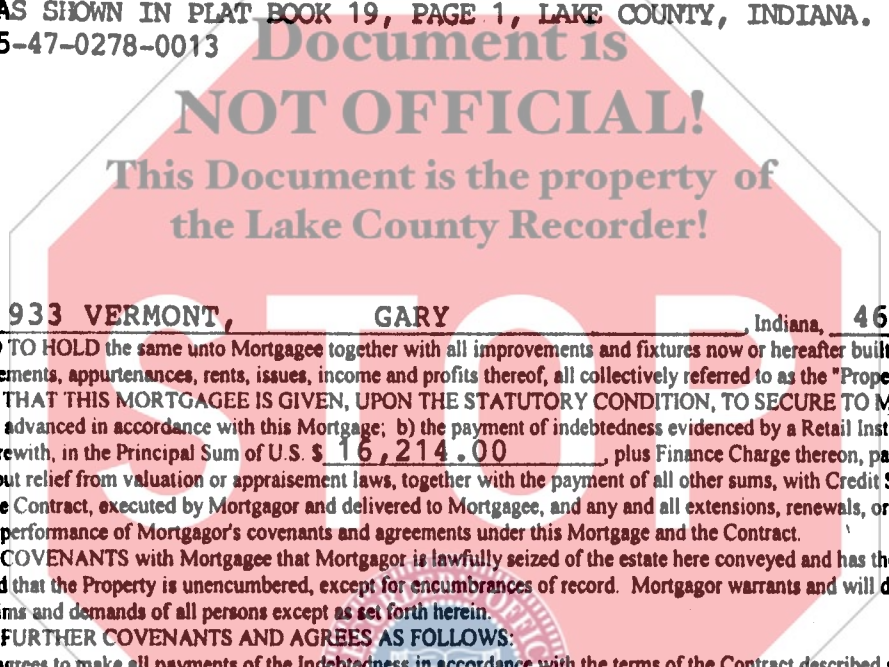
### INDIANA MORTGAGE

THIS INDENTURE WITNESSETH, that this Mortgage is executed between VANESSA MCCORKER, ASF

Mortgagor(s), and who have an address at 1933 VERMONT, GARY, IN. 46407, LAKE County, Indiana, AND A-1 EXTERIORS LAK, Mortgages, whose principal place of business is at 3256 S. WALLACE, CHICAGO, IL. 60616, COOK County, ILLINOIS and its successors and assigns.

WITNESSETH: Mortgagor(s), for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure the indebtedness hereinafter described, HEREBY MORTGAGE AND WARRANT all their right, title and interest in the property located in LAKE County, Indiana, and being further described as follows:

THE NORTH 24 FEET OF LOT 14, ALL OF LOT 13 AND THE SOUTH 19 FEET OF LOT 12, BLOCK 3, WILSON SUBDIVISION, IN THE CITY OF GARY, AS SHOWN IN PLAT BOOK 19, PAGE 1, LAKE COUNTY, INDIANA. TAX NO. 25-47-0278-0013



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which has an address of 1933 VERMONT, GARY, Indiana, 46407

TO HAVE AND TO HOLD the same unto Mortgagee together with all improvements and fixtures now or hereafter built on the Property, and all rights, easements, appurtenances, rents, issues, income and profits thereof, all collectively referred to as the "Property";

WITNESSETH THAT THIS MORTGAGEE IS GIVEN, UPON THE STATUTORY CONDITION, TO SECURE TO MORTGAGEE all sums, with interest thereon, advanced in accordance with this Mortgage; b) the payment of indebtedness evidenced by a Retail Installment Contract (the "Contract") of even date herewith, in the Principal Sum of U.S. \$ 16,214.00, plus Finance Charge thereon, payable according to the terms of the Contract, without relief from valuation or appraisal laws, together with the payment of all other sums, with Credit Service Charge thereon, according to the terms of the Contract, executed by Mortgagor and delivered to Mortgagee, and any and all extensions, renewals, or modifications thereof (the "Indebtedness"); and c) the performance of Mortgagor's covenants and agreements under this Mortgage and the Contract.

MORTGAGOR COVENANTS with Mortgagee that Mortgagor is lawfully seized of the estate here conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Mortgagor warrants and will defend generally the title the Property against the claims and demands of all persons except as set forth herein.

MORTGAGOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

- 1. Payment.** Mortgagor agrees to make all payments of the Indebtedness in accordance with the terms of the Contract described above and any extensions, renewals, or modifications thereof, and hereby subjects the Property to payment or performance of the Contract. Mortgagor also agrees to perform all of Mortgagor's obligations under any superior mortgage or security agreement, including Mortgagor's covenants to make payments when due. Mortgagor may not make or permit any changes to prior security interests without Mortgagee's written consent.
- 2. Taxes.** Mortgagor will pay when due, all taxes, assessments, charges, fines, impositions, leasehold payments, ground rents, and other charges levied upon or with respect to the Property and will, upon request, deliver to Mortgagee satisfactory evidence of payment thereof. Upon request, Mortgagor will assign any rights, claims or defenses which Mortgagor may have against parties who supply labor or materials to improve or maintain the property.
- 3. Maintenance and Repair.** Mortgagor will maintain the Property and improvements in good repair and condition, will not permit or commit any waste or remove, demolish, or substantially alter any structure or fixture on the Property without Mortgagee's prior written consent, and will cause to be complied with all laws, ordinances or requirements of any governmental authority. Mortgagor will give Mortgagee prompt notice of any loss or damage to the property.
- 4. Insurance.** Mortgagor shall keep the Property insured against loss or damage by fire, windstorm, and such other hazards commonly known as Extended Coverage Risks, as Mortgagee may reasonably require from time to time and in such amounts and for such periods as Mortgagee shall require. The insurer shall be chosen by Mortgagor subject to Mortgagee's approval, which shall not be unreasonably withheld. All insurance policies and renewals thereof shall include a standard mortgage clause in favor of and in a form acceptable to Mortgagee. Mortgagee shall have the right to hold the policies and renewals. In the event of loss or damage, Mortgagor shall give immediate notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made immediately by Mortgagor. Mortgagee may collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Property or to the sums secured by this Mortgage. Mortgagor agrees to maintain flood insurance with Mortgagee as loss payee in an amount equal to the principal outstanding during the term of said Indebtedness pursuant to the Flood Disaster Protective Act (42 U.S.C. 4012a).
- 5. Mortgagee's Right to Perform; Receiver.** If Mortgagor fails to perform the covenants and agreements contained herein, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Property, then Mortgagee at its option, after notice to Mortgagor, may do and pay for whatever is necessary to protect the value of the Property and Mortgagee's rights in the Property. Any amounts paid by Mortgagee, with Credit Service Charge thereon at the Contract rate, shall become additional indebtedness of Mortgagor secured hereby. Such amounts shall be payable upon notice from Mortgagee to Mortgagor requesting payment thereof. This paragraph shall not require Mortgagee to incur any expense or take any action hereunder. Upon prior notice

97 JUL 1 - 1 AM 8:53  
MORTGAGEE'S OFFICE  
LAKE COUNTY RECORDER

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

12:00 PM  
34663

to Mortgagee. Mortgagee or its agent may make reasonable entries upon the Property to inspect the Property, to effect maintenance or repairs or to take other action pursuant to this paragraph. Mortgagee's failure to pay taxes, assessments or similar charges when due or to procure and maintain any insurance shall constitute waste and shall entitle Mortgagee to the appointment by a court of competent jurisdiction of a receiver of the Property for the purpose of preventing waste, which receiver may collect the rents and income from the Property and exercise such control over the Property as the court shall order.

6. **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 Mortgagee, subject to the terms of any superior mortgage.

7. **Successors and Assigns, Co-signers.** The covenants and agreements in this Mortgage shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Mortgagee and Mortgagor. All covenants and agreements of Mortgagor shall be joint and several. Any Mortgagor who signs this Mortgage but does not execute the Contract does so only to Mortgage that person's interest in the Property to secure payment of the Contract, and does not agree to be personally liable to pay the sums secured hereby. Such Mortgagor agrees that Mortgagee and any other Mortgagor may agree to extend, modify or make any change in the terms of this Mortgage or the Contract without that Mortgagor's consent. Such a change will not release that Mortgagor from the terms of this Mortgage. Modification of the indebtedness granted by Mortgagee to any successor in interest of Mortgagor shall not release the liability of the original Mortgagor and Mortgagor's successors in interest. Mortgagee is not required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the indebtedness by reason of demand made by the original Mortgagor and Mortgagor's successors in interest.

8. **Notices.** All notices to Mortgagor and Mortgagee shall be deemed to be duly given if and when personally delivered or mailed, with postage prepaid, to the addresses of Mortgagor and Mortgagee appearing on the first page hereof, or at such other addresses as designated in writing.

9. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of Indiana, subject to any preemption by Federal law. If any provision of this Mortgage shall be unenforceable or void, then such provision shall be deemed severable from the remaining provisions to the extent not prohibited by applicable law, and if severed, shall in no way affect the enforceability of the remaining provisions nor the validity of this Mortgage or the Contract.

10. **Debt Due on Sale.** If all or any part of the Property or any interest in it is sold or transferred without Mortgagee's prior written consent, Mortgagee may, at its option, require immediate payment in full of all sums secured hereby, unless prohibited by federal law. If Mortgagee exercise this option, Mortgagee shall give Mortgagor notice of such acceleration which notice shall provide a period of time within which Mortgagor must pay all sums secured hereby. If Mortgagor fails to pay these sums within such period, Mortgagee may invoke any remedies permitted by this Mortgage without further notice to Mortgagor.

11. **Default; Notice of Default and Right to Cure; Acceleration.** Mortgagor will be in default if Mortgagor fails to make any payment when due or if any condition in this Mortgage or the Contract is violated, and such breach materially impairs the condition, value or protection of or Lender's rights in the Property, or materially alters Mortgagor's ability to pay amounts due. Where required by law, Mortgagee will send Mortgagor written notice of default and right to cure. The Notice shall specify the breach, the action required to cure the breach, a date by which such breach must be cured and that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured hereby and sale of the Property. If the breach is not cured on or before the date specified in the notice, Mortgagee, at its option, may declare all of the sums secured hereby to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. If Mortgagee invokes the power of sale, Mortgagee shall give notice of sale in the manner prescribed by applicable law to Mortgagor and to other persons prescribed by applicable law. Mortgagee shall publish the notice of sale and the Property shall be sold in the manner prescribed by applicable law. Mortgagee or its designee may purchase the Property at any sale. The proceeds of the sale shall be applied to 1) all statutory expenses, 2) to all sums secured hereby, and 3) any excess to the clerk of the Circuit Court of the County in which the sale is held.

12. **Assignment of Rents.** Mortgagor assigns to Mortgagee all rents of the Property. Mortgagor may collect and retain the rents as they become due and payable. Upon Mortgagor's default, and after sending Mortgagor written notice and allowing Mortgagor a reasonable opportunity for cure where required by law, Mortgagee may seek direct payment of the rents by notification to the tenants, as well as commencing appointment of receiver and foreclosure proceedings. Mortgagee, its agent or a court appointed receiver may take possession of and manage the Property and collect rents, including those past due. Any rents and profits collected shall be applied first to costs of managing the Property and an excess shall be applied toward payment of the indebtedness.

13. **Expenses.** Except when prohibited by law, Mortgagor agrees to pay all of Mortgagee's expenses if Mortgagor breach any covenant herein. Mortgagor agrees to pay all costs and expenses incurred by Mortgagee in collecting, enforcing or protecting Mortgagee's rights and remedies hereunder. This amount may include, but is not limited to attorney's fees, court costs and other legal expenses.

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

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

**NOTE: This document is a mortgage which gives your contractor and its assignees a security interest in your property. The mortgage is taken as collateral for the performance of your obligations under your home improvement obligation.**

**(PLEASE SIGN THE ORIGINAL WHITE COPY IN THE PRESENCE OF A NOTARY)**

IN WITNESS WHEREOF, the undersigned have executed this instrument on the 27 day of FEB, 19 97.

WITNESSES: (2 Witness Signatures Required)

MORTGAGORS:

[Signature]  
Name: Michael Ferro  
[Signature]  
Name: Steve Mathw

[Signature] L.S.  
Name: VANESSA MCCORKER  
\_\_\_\_\_, L.S.  
Name: \_\_\_\_\_, L.S.  
Name: \_\_\_\_\_, L.S.

STATE OF INDIANA, Lake County ss:

Before me, a Notary Public in and for said County and State, personally appeared the above named Mortgagors Vanessa and Michael Ferro who acknowledged they he/she/they did sign the foregoing instrument and that the same is his/hers/their free act and deed. WITNESS my hand and official seal this 27 day of FEBRUARY, 19 97.

My Commission Expires: 6-19-98  
NOTARIAL SEAL

[Signature]  
Notary Public Name: LAKE COUNTY