



98042138

93 JUN - 5 AM 11:55

5

**Mortgage and Security Agreement**

This Mortgage is made this 17<sup>TH</sup> day of APRIL, 1998 by and between \_\_\_\_\_

KENNETH W. KRIZAN

E. NEAL EATON AND SALLY EATON CO-TRUSTEES OF THE SALLY JANE EATON  
("Mortgagor"), and REVOCABLE LIVING TRUST DATED JUNE 25, 1992 ("Mortgagee"),

the address of which is 9020 MORaine STREET, DYER, IN 46311

**Witnesseth:**

WHEREAS, Mortgagor is indebted to Mortgagee in the principal sum of \$ 83,000<sup>00</sup> (EIGHTY-THREE THOUSAND AND NO/100 DOLLARS), together with interest thereon, as evidenced by that certain promissory note of even date herewith, executed by Mortgagor and delivered to Mortgagee, the final payment of which is due on or before the 20<sup>TH</sup> day of SEPTEMBER, 2005, (the "Note"), which by reference is made a part hereof to the same extent as though set out in full herein;

NOW, THEREFORE to secure the performance by Mortgagor of all covenants and conditions in the Note and in this Mortgage and in all other instruments securing the Note, and in order to charge the properties, interests and rights hereinafter described with such payment and performance and to secure additional advances, renewals, extensions and modifications thereof and for and in consideration of the sum of Ten and no/100 Dollars (\$10.00), Mortgagor does hereby mortgage, sell, pledge and assign to Mortgagee and, where applicable grant a security interest in:

**The Mortgaged Property**

(A) All of the land in the county of LAKE COUNTY, INDIANA described below:

LOT 2  
SEBERGER'S SCENIC VIEW  
ST. JOHN  
AS SHOWN IN PLAT BOOK 41, PAGE 122  
IN LAKE COUNTY, INDIANA

STREET ADDRESS: 9020 MORaine STREET  
DYER, INDIANA 46311

to have and to hold the same, together with all the improvements now or hereafter erected on such property and all fixtures now or hereafter attached thereto, together with each and every tenements, hereditaments, easements, rights, powers, privileges, immunities and appurtenances thereunto belonging or in anywise appertaining and the reversion and reversions, remainder and remainders, and also all the estate, right, title, interest, homestead, right of dower, separate estate, property, possession and claim whatsoever in law as well as in equity of Mortgagor of, in and to the same in every part and parcel thereof unto Mortgagee in fee simple.

(B) Together with a security interest in all personal property, excluding household goods which are not purchased with the proceeds of the Note, and fixtures affixed to or located on the property described in paragraph (A).

(C) Together with all rents, leases, issues, profits, revenue, income proceeds and other benefits from the property described in paragraph (A) hereof to be applied to the indebtedness secured hereby, provided however, that permission is hereby given to Mortgagor so long as no default has occurred hereunder, to collect, receive, and use such benefits from the property as they become due and payable, but not in advance thereof.

(D) All insurance policies and proceeds thereof and all condemnation proceeds, awards, damages, and claims relating to or derived from the property described in paragraphs (A), (B) and (C) hereof.

(E) Everything referred to in paragraphs (A), (B), (C) and (D) hereof and any additional property hereafter acquired by Mortgagor and subject to the lien of this Mortgage or any part of these properties is herein referred to as the "Mortgaged Property."

PROVIDED ALWAYS, that if Mortgagor shall pay to Mortgagee the Note at the times and in the manner stipulated therein, and in all other instruments securing the Note, including renewals, extension or modification thereof, and in this Mortgage and in all other instruments securing the Note, to be kept, performed or observed by Mortgagor, then this Mortgage, shall cease and be void, but shall otherwise remain in full force and effect.

E. Neal Eaton 612 Estuary dr Bradenton FL 34209

1700  
ES  
EP

Mortgagor covenants and agrees with Mortgagee as follows:

**1. Compliance with Note and Mortgage; Warranty of Title.** Mortgagor shall comply with all provisions of the Note, this Mortgage and of every other instrument securing the Note, and will promptly pay to Mortgagee the principal with interest thereon and all other sums required to be paid by Mortgagor under the Note and pursuant to the provisions of this Mortgage and of every other instrument securing the Note. Mortgagor covenants that Mortgagor owns and is indefeasibly seized of the Mortgaged Property in fee simple, that the Mortgaged Property is free from all encumbrances except as noted in the legal

description above, that Mortgagor has lawful authority to convey, mortgage and encumber the same as provided by the Mortgage, that Mortgagee may peaceably and quietly enjoy the Mortgaged Property, and that Mortgagor will defend the Mortgaged Property against the claims of all persons whomsoever, and that Mortgagor so warrants.

**2 Payment of Taxes and Liens.** Mortgagor shall pay all the taxes, assessments, levies, liabilities, obligations and encumbrances of every nature now on the Mortgaged Property or that hereafter may be imposed, levied or assessed upon this Mortgage or the Mortgaged Property or upon the indebtedness secured hereby. All such payments to be made when due and payable according to law before they become delinquent and before any interest attaches or any penalty is incurred. Insofar as any indebtedness is of record the same shall be promptly satisfied and evidence of such satisfaction shall be given to Mortgagee.

**3. Insurance.** Mortgagor shall keep the Mortgaged Property and the improvements now existing or hereafter erected on the Mortgaged Property insured as may be required from time to time by Mortgagee against loss by fire, other hazards and contingencies (including flood hazards and related occurrences in the event any portion of the Mortgaged Property is located in a flood hazard area as may be identified from time to time) in such amounts and for such periods as may be required by Mortgagee. Mortgagor shall pay promptly, when due, any premiums on such insurance. All insurance shall be carried with companies approved by Mortgagee and the policy and renewals thereof shall be held by Mortgagee and have attached thereto loss payable clauses in favor and in form acceptable to Mortgagee. In the event of loss, Mortgagor shall give immediate notice by mail to Mortgagee and Mortgagee may make proof of loss if not made promptly by Mortgagor. Each insurance company concerned is hereby authorized and directed to make payments for such loss directly to Mortgagee instead of either to Mortgagor or Mortgagor and Mortgagee jointly. Insurance proceeds or any part thereof may be applied by Mortgagee at its option, after deducting therefrom all its expenses including attorney's fees, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged. Mortgagee is hereby authorized, at its option, to settle and compromise any claims, awards, damages, rights of action and proceeds, and any other payment or relief under any insurance policy. In the event of foreclosure of this Mortgage or other transfer of title to the Mortgaged Property in extinguishment of the indebtedness secured hereby, all right, title, and interest of Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee. Mortgagee may at its option require Mortgagor to deposit with Mortgagee on the first day of each month, in addition to making payments of principal and interest, until the Note is fully paid, an amount equal to one-twelfth (1/12) of the yearly premiums for all insurance. Such deposits shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of Mortgagee, and no interest shall be payable in respect thereof. Upon demand by Mortgagee, Mortgagor shall deliver to Mortgagee such additional monies as are necessary to make up any deficiencies in the amounts necessary to enable Mortgagee to pay such premiums when due. In the event of default under any of the terms, covenants and conditions in the Note, this Mortgage or any other instrument securing the Note to be performed or observed by Mortgagor, Mortgagee may apply to the reduction of the sums secured hereby, in such manner as Mortgagee shall determine, any amount under this paragraph remaining to Mortgagor's credit and any return premium received from cancellation of any insurance policy by Mortgagee upon foreclosure of this Mortgage.

**4 Condemnation.** If the Mortgaged Property or any part thereof shall be damaged or taken through condemnation (which term when used herein shall include any damage or taking by any governmental authority or any other authority authorized by the laws of the State of \_\_\_\_\_ or the United States of America to so damage or take, and any transfer by private sale in lieu thereof), either temporarily or permanently, the entire indebtedness and other sums secured hereby shall, at the option of Mortgagee, become immediately due and payable. Mortgagee shall be entitled to all compensation awards, damages, claims, rights of action and proceeds of, or on account of any damage or taking through condemnation and is hereby authorized, at its option, to commence, appear in and prosecute, in its own or Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation awards, damages, claims, rights of action and proceeds, and any other payments or relief, and the right thereto, are hereby assigned by Mortgagor to Mortgagee and Mortgagee after deducting therefrom all its expenses including attorney's fees may release any monies so received by it without affecting the lien of this Mortgage or may apply the same in such manner as Mortgagee shall determine, to the reduction of the sums secured hereby and to any prepayment charge provided in the Note, this Mortgage or any other instrument securing the Note. Any balance of such monies then remaining shall be paid to Mortgagor. Mortgagor agrees to execute such further assignments or any compensations, awards, damages, claims, rights of action and proceeds as Mortgagee may require.

**5. Care of Mortgaged Property.** Mortgagor shall not remove or demolish any building or other property forming a part of the Mortgaged Property without the written consent of Mortgagee. Mortgagor shall not permit, commit, or suffer any waste, impairment or deterioration of the Mortgaged Property or any part thereof, and shall keep the same and improvements thereon in good condition and repair. Mortgagor shall notify Mortgagee in writing within five (5) days of any injury, damage, or impairment of or occurring on the Mortgaged Property. Mortgagee may, at Mortgagee's discretion, have the Mortgaged Property inspected at any time and Mortgagor shall pay all costs incurred by Mortgagee in executing such inspection.

**6 Mortgagee's Right to Make Certain Payments.** In the event Mortgagor fails to pay or discharge the taxes, assessments, levies, liabilities, obligations and encumbrances, or fails to keep the Mortgaged Property insured or to deliver the policies, premiums paid, or fails to repair the Mortgaged Property as herein agreed, Mortgagee may at its option pay or discharge the taxes, assessments, levies, liabilities, and obligations and encumbrances or any part thereof, to produce and pay for such insurance or to make and pay for such repairs. Mortgagee shall have no obligation on its part to determine the validity or necessity of any payment thereof and any such payment shall not waive or affect any option, lien equity or right of Mortgagee under or by virtue of this Mortgage. The full amount of each and every such payment shall be immediately due and payable and shall bear interest from the date thereof until paid at the Default Rate, as hereinafter defined, and together with such interest, shall be secured by the lien of this Mortgage. Nothing herein contained shall be construed as requiring Mortgagee to advance or expend monies for any of the purposes mentioned in this paragraph.

**7. Payment of Expenses.** Mortgagor shall pay all the costs, charges and expenses, including reasonable attorney's fees whether incurred at trial or appellate level, disbursements and cost of abstracts of title, incurred or paid at any time by Mortgagee due to the failure on the part of Mortgagor promptly and fully to perform, comply with and abide by each and every stipulation, agreement, condition and covenant of the Note and this Mortgage. Such costs, charges and expenses, shall be immediately due and payable, whether or not there be notice, demand, attempt to collect or suit pending. The full amount of each and every such payment shall bear interest from the date thereof until paid at the Default Rate, as hereinafter defined. All such costs, charges and expenses so incurred or paid together with such interest, shall be secured by the lien of this Mortgage and any other instrument securing the Note.

**8. After Acquired Property.** The lien of this Mortgage will automatically attach, without further act, to all after acquired property of whatever kind located in or on, or attached to, or used or intended to be used in connection with or in the operation of the Mortgaged Property.

**9 Additional Documents.** At all times this Mortgage is in effect, upon Mortgagee's request, Mortgagor shall make, execute and deliver or cause to be made, executed and delivered to Mortgagee and, where appropriate, shall cause to be recorded or filed and thereafter to be re-recorded or refiled at such time and in such places as shall be deemed desirable by Mortgagee any and all such further mortgages, instruments of further assurance, certificates and other documents as Mortgagee may

consider necessary or desirable in order to effectuate, complete, enlarge, perfect, or to continue and preserve the obligations of Mortgagor under the Note and this Mortgage and all other instruments securing the Note, and the lien of this Mortgage as a first and prior lien upon all the Mortgaged Property. Upon any failure by Mortgagor to do so, Mortgagee may make, execute, record, file, re-record, or refile any and all such mortgages, instruments, certificates and documents for and in the name of Mortgagor. Mortgagor hereby irrevocably appoints Mortgagee agent and attorney-in-fact of Mortgagor to do all things necessary to effectuate or assure compliance with this paragraph.

**10. Event of Default.** Any one of the following shall constitute an event of default:

(a) Failure by Mortgagor to pay, as and when due and payable, any installments of principal or interest due under the Note, or any deposits for taxes and assessments or insurance premiums due hereunder, or any other sums to be paid by Mortgagor hereunder or under any other instrument securing the Note.

(b) Failure by Mortgagor to duly keep, perform and observe any other covenant, condition or agreement in the Note, this Mortgage, any other instrument securing the Note or any other instrument collateral to the Note or executed in connection with the sums secured hereby for a period of 10 days after Mortgagee gives written notice specifying the breach.

(c) If either Mortgagor or any guarantor or endorser of the Note: (i) files a voluntary petition in bankruptcy, (ii) is adjudicated a bankrupt or insolvent; or (iii) files any petition or answer seeking or acquiescing in any reorganization, management, composition, readjustment, liquidation, dissolution or similar relief for itself under any law relating to bankruptcy, insolvency or other relief for debtors, or (iv) seeks or consents to or acquiesces in the appointment of any trustee, receiver, master or liquidator of itself or of all or any substantial part of the Mortgaged Property or of any or all of the rents, revenues, issues, earnings, profits or income thereof, or (v) makes any general assignment for the benefit of creditors, or (vi) makes any admission in writing of its inability to pay its debts generally as they become due; or (vii) a court of competent jurisdiction enters an order, judgment or decree approving a petition filed against Mortgagor or any guarantor or endorser of the Note, seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state, or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, which order, judgment or decree remains unvacated and unstayed for an aggregate of sixty (60) days whether or not consecutive from the date of entry thereof; or (viii) any trustee, receiver or liquidator of Mortgagor of all or any substantial part of the Mortgaged Property or of any or all of the rents, revenues, issues, earnings, profits or income thereof, is appointed without the prior written consent of Mortgagee, which appointment shall remain unvacated and unstayed for an aggregate of sixty (60) days whether or not consecutive.

(d) Any breach of any warranty or material untruth of any representation of Mortgagor contained in the Note, this Mortgage or any other instrument securing the Note.

(e) The occurrence of any default under the terms of any mortgage or other security instrument which creates a lien or other security interest on or in the Mortgaged Property.

**11. Acceleration.** If an event of default shall have occurred, Mortgagee may declare the outstanding principal amount of the Note and the interest accrued thereon, and all other sums secured hereby, to be due and payable immediately. Upon such declaration such principal and interest and other sums shall immediately be due and payable without demand or notice.

**12. Remedies after Default.** Upon an event of default, Mortgagee may proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy to: (a) enforce payment of the Note or the performance of any term hereof or any other right; (b) foreclose this Mortgage and to sell, as an entirety or in separate lots or parcels, the Mortgaged Property under the judgment or decree of a court or courts of competent jurisdiction; (c) collect all rents, issues, profits, revenue, income and other benefits from the Mortgaged Property; (d) appoint a receiver to enter upon and take possession of the Mortgaged Property and to collect all rents, issues, profits, revenue, income, and other benefits thereof and apply the same as a court may direct and such receiver shall have all rights and powers permitted under law; and (e) pursue any other remedy available to it including, but not limited to taking possession of the Mortgaged Property without notice or hearing to Mortgagor. Mortgagee shall take action either by such proceedings or by the exercise of its power with respect to entry or taking possession, or both, as Mortgagee may determine.

**13. No Waiver.** No delay or omission of Mortgagee or of any holder of the Note to exercise any right, power or remedy accruing upon any event of default shall exhaust or impair any such right, power or remedy or shall be construed to waive any event of default or to constitute acquiescence therein.

**14. Non-Exclusive Remedies.** No right, power or remedy conferred upon or reserved to Mortgagee by the Note, this Mortgage or any other instrument securing the Note is exclusive of any other right, power or remedy; but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy given hereunder or under the Note or any other instrument securing the Note, now or hereafter existing at law, in equity or by statute.

**15. Successors and Assigns Bound.** Whenever one of the parties hereto is named or referred to herein, the heirs, successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf of Mortgagor or Mortgagee, shall bind and inure to the benefits of their respective heirs, successors and assigns, whether or not so expressed.

**16. Miscellaneous.** In the event that any of the covenants, agreements, terms or provisions contained in the Note, this Mortgage or any other instrument securing the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note and any other instrument securing the Note shall be in no way affected, prejudiced or disturbed thereby.

**17. Attorney's Fees.** The term "attorney's fees" as used in this Mortgage includes any and all legal fees of whatever nature including, but not limited to, fees resulting from any appeal of any interlocutory order or final judgment or any other appellate proceeding arising out of any litigation.

**18. Future Advances.** This Mortgage is given to secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or are to be made at the option of Mortgagee, or otherwise, as are made within fifteen years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of indebtedness that may be so secured may decrease or increase from time to time, but the total unpaid balance so secured at one time shall not exceed twice the face amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property, with interest on such disbursements at the Default Rate, as hereafter defined.

**19. Obligation of Mortgagor.** Mortgagor shall pay the cost of releasing or satisfying this Mortgage of record.

20. **No Transfer.** It is understood and agreed by Mortgagor that as part of the inducement to Mortgagee to make the loan evidenced by the Note, Mortgagee has considered and relied on the credit worthiness and reliability of Mortgagor. Mortgagor covenants and agrees not to sell, convey, transfer, lease or further encumber any interest in or any part of the Mortgaged Property without the prior written consent of Mortgagee, and any such sale, conveyance, transfer, lease or encumbrance made without Mortgagee's prior written consent shall be void. If any person should obtain an interest in all or any part of the Mortgaged Property pursuant to the execution or enforcement of any lien, security interest or other right, whether superior, equal or subordinate to this Mortgage or the lien hereof, such event shall be deemed to be a transfer by Mortgagor and an event of default hereunder.

21. **Default Rate.** The Default Rate shall be the highest rate permitted by applicable law.

22. **Changes to Mortgage.** All changes, alterations, deletions or additions to the substance of any paragraph in this Mortgage which have been agreed to between Mortgagor and Mortgagee have been initialed by Mortgagor as additional proof of Mortgagor's consent.

23. **Additional Paragraphs.** In the event Mortgagor and Mortgagee agree to further covenants in this Mortgage requiring an additional paragraph or paragraphs, such paragraph or paragraphs shall be attached to this Mortgage under the heading of "Rider" and shall be part of this Mortgage as if set out in full herein.

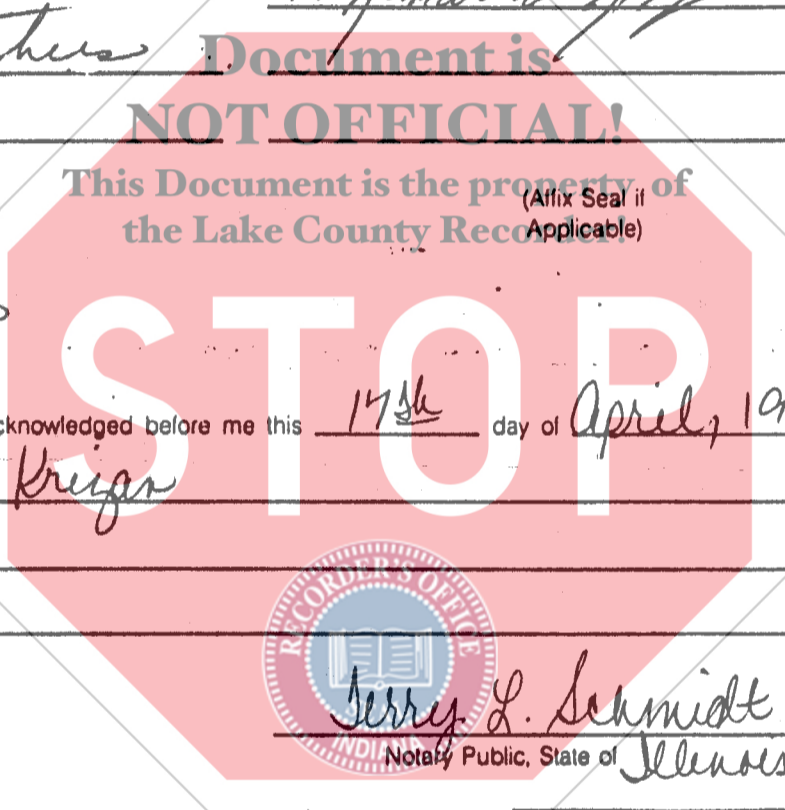
**RIDER: THERE WILL BE NO PENALTY FOR PRE-PAYMENT OF THIS MORTGAGE.**

IN WITNESS WHEREOF, this instrument has been executed on the date first above written.

Signed, sealed and delivered in the presence of:

Jane M. Protherus  
WITNESS  
Norma Conidine  
WITNESS

X Kenneth W. Kruger



STATE OF ILLINOIS  
COUNTY OF WILL

The foregoing instrument was acknowledged before me this 17th day of April, 1998  
by Kenneth W. Kruger

Terry L. Schmidt  
Notary Public, State of Illinois

My Commission Expires: OFFICIAL SEAL  
TERRY L. SCHMIDT  
NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXP. JAN. 4, 1999

\*This paragraph must be completed prior to executing this Mortgage.

ATTACHMENTS:

- 1. MORTGAGE NOTE
- 2. REPAYMENT SCHEDULE.

### Mortgage Note

\$83,000<sup>00</sup>

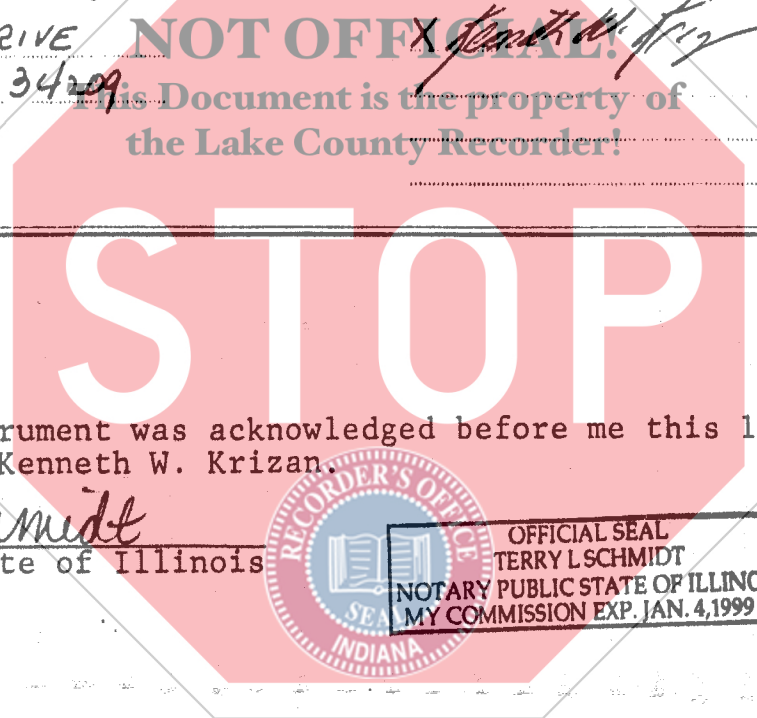
(City) DYER, INDIANA (State) APRIL 17, 1998

FOR VALUE RECEIVED the undersigned promises to pay to the order of E. NEAL EATON AND SALLY EATON TRUSTEES OF THE SALLY JANE EATON REVOCABLE LIVING TRUST DATED JUNE 25, 1992 principal sum of \$83,000<sup>00</sup> (EIGHTY-THREE THOUSAND AND NO/100 DOLLARS) Dollars together with interest thereon at the rate of 8% (EIGHT) per cent per annum from APRIL 20, 1998 until maturity, both principal and interest being payable in Lawful Money of the United States, such principal sum and interest payable in installments as follows:

**90 PAYMENTS  
DUE THE 20<sup>TH</sup> OF EVERY MONTH  
THE LAST PAYMENT IS DUE SEPTEMBER 20, 2005.  
THERE IS NO PRE-PAYMENT PENALTY.  
SEE ATTACHED REPAYMENT SCHEDULE.**

Such installment payments shall be applied first to the interest accruing under the terms of this note and then to a reduction of the principal indebtedness. The makers and endorsers of this note further agree to waive demand, notice of non payment and protest, and in the event suit shall be brought for the collection hereof, or the same has to be collected upon demand of an attorney, to pay reasonable attorney's fees for making such collection. All payments hereunder shall bear interest at the rate of 8% (EIGHT) percent per annum from maturity until paid. This note is secured by a mortgage of even date herewith and is to be construed and enforced according to the laws of the State of INDIANA. In the event of default in the payment of principal and/or interest when due, the whole sum of principal and interest remaining unpaid shall, at the option of the holders, become immediately due and payable. The exercise of this option shall not constitute a waiver of the right to exercise the same in the event of subsequent default.

able at 612 ESTUARY DRIVE **NOT OFFICIAL** BRADENTON, FL 34209 *Kenneth W. Krizan* (SEAL)  
such other place as shall be designated by the holder of this note in writing. (SEAL)  
(SEAL)  
(SEAL)



State of Illinois  
County of Will

The foregoing instrument was acknowledged before me this 17th day of April, 1998 by Kenneth W. Krizan.

*Terry L. Schmidt*  
Notary Public, State of Illinois

OFFICIAL SEAL  
TERRY L SCHMIDT  
NOTARY PUBLIC STATE OF ILLINOIS  
MY COMMISSION EXP. JAN. 4, 1999