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MORRIS W. CARTER
RECORDER

REAL ESTATE MORTGAGE
(Closed-end)

THIS INDENTURE, made this 13th day of July, 1998, WITNESSETH, That
Cheryl L Freeman Mortgagors,
of Lake County, State of Indiana,

MORTGAGE AND WARRANT to

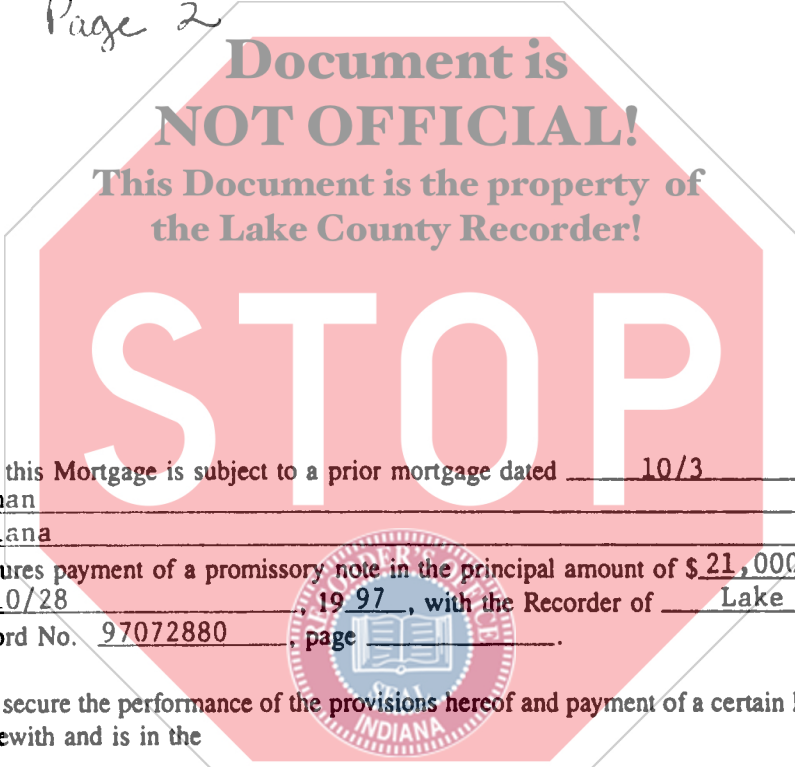
BENEFICIAL INDIANA INC.,
 BENEFICIAL MORTGAGE CO. OF INDIANA,

a Delaware corporation duly authorized to do business in Indiana, having an office and place of business at _____
238 W Lincoln Highway, Schererville, In 46375

County of Lake, Indiana, the following described real property ("Property") situated in the
County of ("Property") situated in the County of Lake, Indiana:

5th South Broadway Add. L 25 BlK 2, Lake County, Indiana

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If this box is checked, this Mortgage is subject to a prior mortgage dated 10/3, 1997 executed
by Cheryl L Freeman as Mortgagor(s) to
Bank One, Indiana as Mortgagee,
which prior mortgage secures payment of a promissory note in the principal amount of \$ 21,000.00. That prior mortgage
was recorded on 10/28, 1997, with the Recorder of Lake County,
Indiana in Mortgage Record No. 97072880, page _____.

This Mortgage is given to secure the performance of the provisions hereof and payment of a certain Loan Agreement ("Agreement"),
which is of even date herewith and is in the

- Total of Payments of \$ _____ (precomputed loan).
- Actual Amount of Loan of \$ 5904.57, together with interest on unpaid balances of the Actual Amount
of Loan at the rate of Rate of Charge set forth in the Agreement.

Mortgagors covenant and agree with Mortgagee, as follows:

1. To pay when due all Indebtedness provided in the Agreement and secured by this Mortgage, without relief from valuation and appraisal laws.
2. To keep the Property in as good order and repair as at present, reasonable wear and tear excepted, and neither to commit nor suffer any waste on such Property.
3. To pay all taxes and assessments levied against the Property when due and before penalties accrue.
4. Mortgagors shall keep the structures located on the Property securing this loan insured against damage caused by fire and other physical hazards, name Mortgagee as a loss payee and deliver to Mortgagee a loss payable endorsement. If insurance covering the Property is cancelled or expires while the loan is outstanding and Mortgagors do not reinstate the coverage, Mortgagee may obtain, at Mortgagee's option, hazard insurance coverage protecting Mortgagee's interest in the Property.

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5. Mortgagors authorize Mortgagee, at Mortgagee's option, to obtain coverage on the Property in an amount not greater than the outstanding balance of principal and interest on the loan or, if known to be less, the replacement value of the Property, in the event that Mortgagors fail to maintain the required hazard insurance or fail to provide adequate proof of its existence. Mortgagors authorize Mortgagee to charge Mortgagors for the costs of this insurance and add the insurance charges to the unpaid balance of the loan which accrues interest at the Rate of Charge. The addition of the insurance charges due might increase the amount of Mortgagors' final instalment. The cost of Creditor Placed Hazard Insurance might be higher than the cost of standard insurance protecting the Property. The Creditor Placed Hazard Insurance will not insure the contents of the Property or provide liability coverage. The insurance might not be the lowest cost coverage of its type available and Mortgagors agree that Mortgagee has no obligation to obtain the lowest cost coverage. Mortgagee or an affiliated company might receive some benefit (i.e., commission, service fee, expense reimbursement, etc.) from the placement of this insurance and Mortgagors will be charged for the full cost of the premium without reduction for any such benefit. If at any time after Mortgagee has obtained this insurance, Mortgagors provide adequate proof that Mortgagors have subsequently purchased the required coverage, Mortgagee will cancel the coverage Mortgagee obtained and credit any unearned premiums to Mortgagors' loan.

On failure of Mortgagors in any of the foregoing, Mortgagee, at its option, may (a) pay any and all taxes levied or assessed against the Property, and all or part of prior or senior encumbrances on the Property, (b) insure the Property and (c) undertake the repair of the Property to such extent as it deems necessary. All sums advanced by Mortgagee for any of such purposes shall become a part of the Indebtedness secured by this Mortgage and shall bear interest at the Rate of Charge or, if the loan is a precomputed loan, at the Annual Percentage Rate from and after the date of payment by Mortgagee until repaid in full by Mortgagors.

In the event of the death of one of the Mortgagors, Mortgagee, at its option, may declare the unpaid balance of the Actual Amount of Loan or Total of Payments, together with accrued interest, immediately due and payable.

Upon default of Mortgagors in any payment or performance provided for in this Mortgage or in the Agreement, if any Mortgagors or any of them be adjudged bankrupt, or a trustee or receiver be appointed for Mortgagors or any of them or for any part of the Property, then the Indebtedness shall become immediately due and payable at the sole option of Mortgagee, without notice, and this Mortgage may be foreclosed accordingly. Any cost incurred by Mortgagee or its agents in obtaining an abstract of title, any other appropriate title evidence, or any reasonable attorney's fees or expenses incurred by Mortgagee in respect of any and all legal or equitable proceedings which relate to this Mortgage, may be added to the unpaid balance of the Indebtedness.

If Mortgagors voluntarily shall sell or convey the Property, in whole or in part, or any interest in that Property or by some act or means divest themselves of title to the Property without obtaining the written consent of Mortgagee, then Mortgagee, at its option, may declare the entire balance of the Indebtedness immediately due and payable. This option shall not apply if (1) the sale of the Property is permitted because the purchaser's creditworthiness is satisfactory to Mortgagee and (2) that purchaser, prior to the sale, has executed a written assumption agreement containing terms prescribed by Mortgagee including, if required, an increase in the rate of interest payable under the Agreement.

No delay or extension of time granted or suffered by Mortgagee in the exercise of its rights under this Mortgage shall constitute a waiver of any of such rights for the same or any subsequent default. Mortgagee may enforce any one or more of its rights or remedies under this Mortgage successively or concurrently.

Mortgagors herein expressly covenant and agree to pay and keep current the monthly instalments on any prior mortgage and to prevent any default thereunder. Mortgagors further agree that should any default be made in the payment of any instalment of principal or any interest on the prior mortgage, or should any suit be commenced or other action taken to foreclose the prior mortgage, then the amount secured by this Mortgage shall become and be due and payable in full at any time thereafter, at the option of Mortgagee and in accordance with the Agreement. Mortgagee, at its option, may pay the scheduled monthly instalments on the prior mortgage and, to the extent of the amount so paid, become subrogated to the rights of the mortgagee identified on the prior mortgage. All payments made on the prior mortgage by Mortgagee shall bear interest at the Rate of Charge or Annual Percentage Rate until paid in full.

Upon commencement of a suit in foreclosure of this Mortgage or a suit to which Mortgagee may be made a party by reason of this Mortgage, or at any time during the pendency of any such suit, Mortgagee, upon application to the appropriate court, at once, without notice to Mortgagor or any person claiming under Mortgagor, and without consideration of the adequacy of the security or the solvency of Mortgagor, shall appoint a receiver for the Property. The receiver shall (1) take possession of the Property; (2) make repairs and keep the Property in proper condition and repair; and (3) pay (a) all taxes and assessments accruing during the receivership, (b) all unpaid taxes and assessments and tax sales remaining unredeemed, at or prior to the foreclosure sale, (c) all insurance premiums necessary to keep the Property insured in accordance with the provisions of this Mortgage, and (d) the expense of the receivership, and apply the balance, if any, against the Indebtedness secured by this Mortgage.

Mortgagee, at its sole discretion, may extend the time of the payment of any Indebtedness, without the consent of any junior encumbrancer. No such extension of renewal shall affect the priority of this Mortgage or impair the security or operate to release, discharge or affect the principal liability of Mortgagors or any of them to Mortgagee whatsoever.

Mortgagors warrant that:

1. The Property has not been used in the past and is not presently used for hazardous and/or toxic waste,
2. The Property complies with all federal, state and local environmental laws regarding hazardous and/or toxic waste,
3. Asbestos has not been used as a building material on any building erected on the Property in the past,
4. The Property is not presently used for asbestos storage and
5. The Mortgagors comply with all federal, state and local laws, as well as regulations, regarding the use and storage of asbestos.

Mortgagors covenant and agree to comply with all federal, state, and local environmental laws in the maintenance and use of the Property.

Mortgagors warrant that neither the Property nor the loan proceeds were or will be used in illegal drug activity, and the Property is not subject to seizure by any governmental authority because of any illegal drug activity.

If there be only one mortgagor, all plural words herein referring to Mortgagors shall be read in the singular.

