

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

99 APR -8 AM 10:40

MORRIS V. CARTER  
RECORDER

RETURN MORRISON TR 99029921  
5201 FOUNTAIN CR.  
STE. F  
CROWN POINT, IN 46307

Space Above This Line for Recording Data

21260455

**MORTGAGE**

THIS MORTGAGE (hereinafter referred to as "Security Instrument") is given on this \_\_\_\_\_ day of April 6, 1999

\_\_\_\_\_ . The Mortgagor is Richard Pagan and Maria Pagan, husband and wife

\_\_\_\_\_ (herein "Borrower"). This Security Instrument is given to **Advanta Finance Corp.**, a corporation organized and existing under the laws of Nevada, whose address is

334 West U.S. Hwy 30, Suite E, Valparaiso, IN 46385 (herein "Lender").

BORROWER, does hereby mortgage, grant and convey to Lender the following described property located in the County of Lake, State of Indiana:

SEE "SCHEDULE A"

Together with the buildings and improvements thereon, and the rights, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging or in anywise appertaining (all collectively "Property"), in order to secure repayment of the indebtedness evidenced by Borrower's:

If checked, Revolving Loan Agreement of even date herewith, which obligates Lender, subject to the conditions stated therein, to advance to Borrower up to a Credit Limit of \$ 38,200.00, plus finance and other charges due and payable on April 6, 2019.

If checked, Note of even date herewith, in the principal sum of \$ \_\_\_\_\_, payable in monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on \_\_\_\_\_.

This Security Instrument also secures any extensions, future advances, renewals, modifications, or refinancing thereof; and the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Security Instrument and the performance of the covenants and agreements herein contained.

If checked, the Revolving Loan Agreement or Note contains provisions for a variable rate. The payment amount or term of the indebtedness may vary; as may the amount of interest secured by this Security Instrument.

As additional security for payment of the aforesaid indebtedness, Borrower hereby presently and absolutely assigns to Lender all rents, profits, rights and benefits accruing under all leases now or hereafter placed on said Property, and the lessee, assignee or sublessee is hereby directed on production of this Security Instrument, or certified copy thereof, to pay said rents, profits, rights and benefits to Lender. In the event of default in the covenants and conditions of this Security Instrument, or other obligation secured hereby, Lender shall have the right peaceably to enter upon and take possession of said Property and assume control of the transactions having to do with rents and profits, to collect the same and to apply them to payment of the aforesaid indebtedness.

Provided that if the said Borrower, executors, administrators, or assigns, shall well and truly pay, or cause to be paid, the aforesaid indebtedness stated above and all the installments of interest thereon, when and as each of them shall respectively be due and payable as aforesaid, and shall perform each and all of the covenants herein on their part to be performed, then this Security Instrument shall be released.

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby mortgaged and has the right to mortgage the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

Borrower and Lender further covenant and agree as follows:

**1. Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Revolving Loan Agreement or Note and any prepayment, late and other charges due thereunder.

**2. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender shall be applied: first to any prepayment or other charges due under the Revolving Loan Agreement or Note; second, to interest due; and last to principal due.

Initials: R.P. MP

17-00  
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### ADDITIONAL TERMS

**3. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. Upon Borrower making these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

**4. Hazard or Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term of "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. The insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 6. All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. Unless prohibited by applicable law, (i) Borrower shall endorse over to Lender any insurance proceeds check made payable to Borrower, and at Lender's option (ii) all insurance proceeds for restoration or repair of the Property shall be placed with an independent third party funds control entity, chosen by Lender, which shall be responsible for monitoring such restoration or repair and disbursing payment therefor. Borrower shall cooperate with Lender and such third party funds control entity to accomplish the purposes hereof, and Borrower shall pay all fees associated with the funds control process. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments or change the amount of the payments due Lender. If the Property is acquired by Lender hereunder, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

**5. Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgment could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided herein, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any information) in connection with the loan evidenced by the Revolving Loan Agreement or Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

**6. Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 6, Lender does not have to do so. Any amounts disbursed by Lender under this paragraph 6 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Revolving Loan Agreement or Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

**7. Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

**8. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. In the event of a total taking of the property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due. If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments or change the amount of such payments due Lender.

**9. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

Initials: RP MP







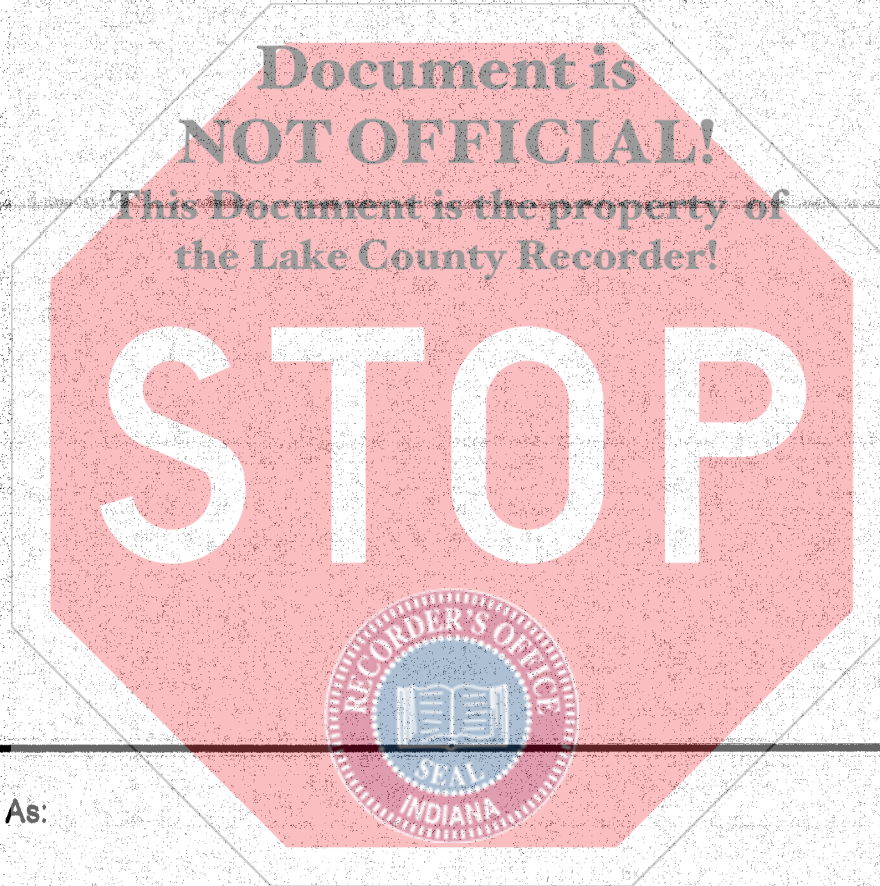
**SCHEDULE A**

Name of Borrower(s) Richard C. Pagan

APN \_\_\_\_\_ Order Number 99030234

Legal Description of Real Property:

LOT 34 IN PARKLAND TERRACE SECOND ADDITION TO HAMMOND, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 25, PAGE 81, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.



Real Property  
Commonly Known As:

**3145 163rd Place, Hammond, IN 46323**

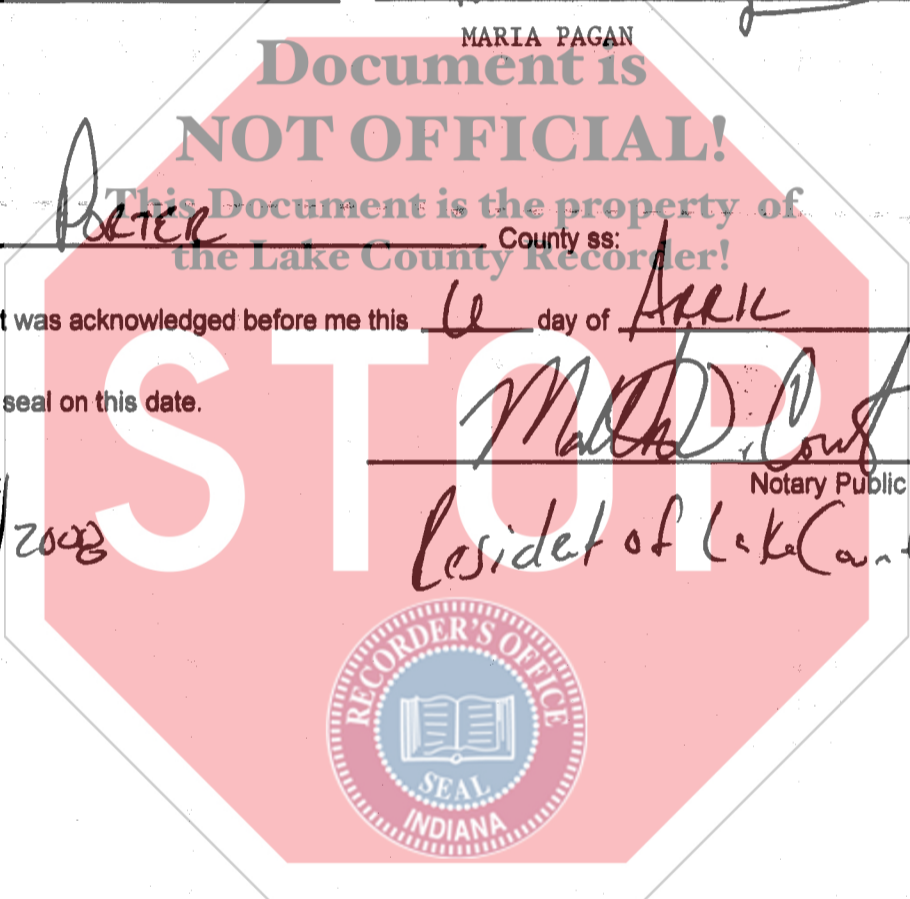
ADDITIONAL TERMS

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

WITNESS:

Tammy Standiford TAMMY STANDIFORD Richard Pagan RICHARD PAGAN (Seal) Borrower

Maria Pagan MARIA PAGAN (Seal) Borrower



STATE OF INDIANA, PETER County ss:

The foregoing instrument was acknowledged before me this 6 day of April, by

WITNESS my hand and seal on this date.

My Commission expires:

6/8/2008

M. D. Cook Notary Public  
Resident of Lake County