

THE GUARANTEE TITLE & TRUST COMPANY  
7895 BROADWAY SUITE "T"  
MERRILLVILLE, IN 46410

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

99085723

99 OCT 18 PM 3:11

MONICA V. CARTER  
RECORDER

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**MORTGAGE**

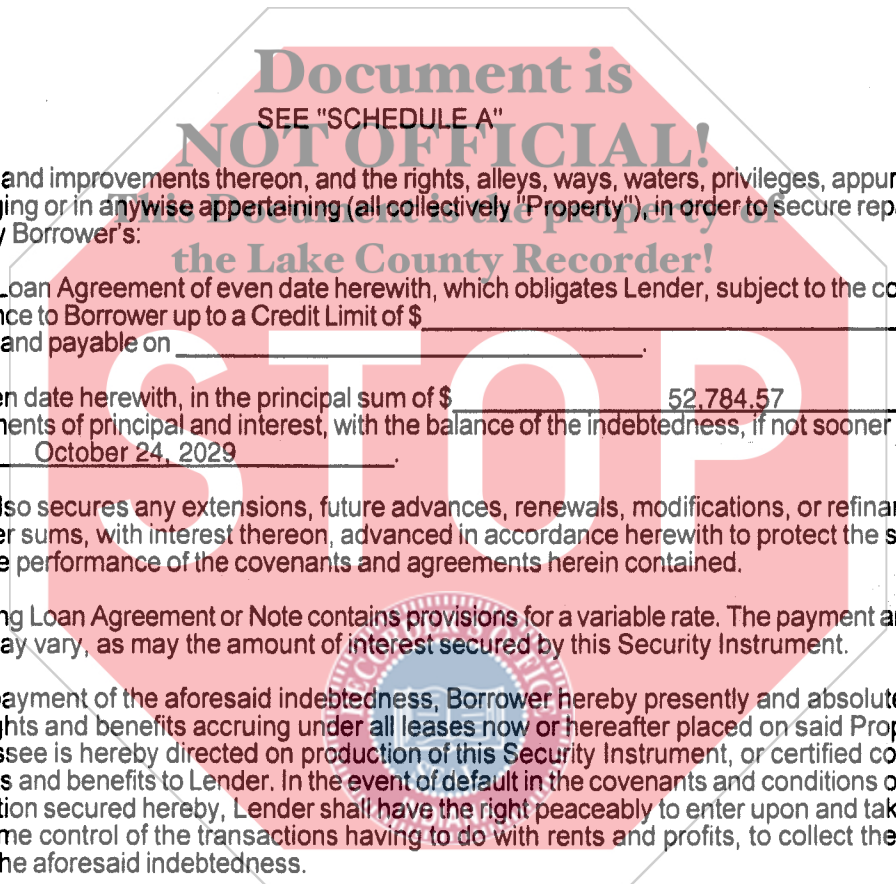
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THIS MORTGAGE (hereinafter referred to as "Security Instrument") is given on  
The Mortgagor is **ROBERT TAFOLLA**

October 15, 1999

(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, Ste 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:



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 \$ \_\_\_\_\_, plus finance and other charges due and payable on \_\_\_\_\_.
- If checked, Note of even date herewith, in the principal sum of \$ 52,784.57, payable in monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on October 24, 2029.

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 seized 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: RT \_\_\_\_\_

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#### ADDITIONAL TERMS

**10. Successors and Assigns Bound; Joint and Several Liability; Co-signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of Paragraph 15. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Revolving Loan Agreement or Note: (a) is co-signing this Security Instrument only to mortgage that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Revolving Loan Agreement or Note without that Borrower's consent.

**11. Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Revolving Loan Agreement or Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Revolving Loan Agreement or Note.

**12. Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

**13. Governing Law; Severability.** This Security Instrument shall be governed by the law of the state of Indiana and federal law, where applicable. In the event that any provision or clause of this Security Instrument or the Revolving Loan Agreement or Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Revolving Loan Agreement or Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Revolving Loan Agreement or Note are declared to be severable.

**14. Borrower's Copy.** Borrower shall be given one conformed copy of the Revolving Loan Agreement or Note and of this Security Instrument.

**15. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by applicable law as of the date of this Security Instrument. If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**16. Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Revolving Loan Agreement or Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of this Security Instrument, Lender's rights in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 15.

**17. Sale of Revolving Loan Agreement or Note; Change of Loan Servicer.** The Revolving Loan Agreement or Note or a partial interest in the Revolving Loan Agreement or Note (together with this Security Instrument) may be sold one or more times without prior notice to Borrower. A sale may result in a change in the entity (known as the "Loan Servicer") that collects monthly payments due under the Revolving Loan Agreement or Note and this Security instrument. There also may be one or more changes of the Loan Servicer unrelated to a sale of the Revolving Loan Agreement or Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change in accordance with 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 other information required by applicable law.

**18. Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower 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 small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property. Borrower shall promptly give Lender written notice of any 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 Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. As used in this paragraph, "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 paragraph, "Environmental Law" means state and federal laws and laws that relate to health, safety or environmental protection.

**19. Acceleration; Remedies.** Lender shall give notice to Borrower as required by applicable law prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 15 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose the Security Instrument by judicial proceeding. Lender shall be entitled to collect all costs and expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

**20. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument to Borrower. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument if permitted under applicable law.

**21. Waiver of Appraisal and Valuation.** All rights of Valuation and Appraisal of the Property are waived.

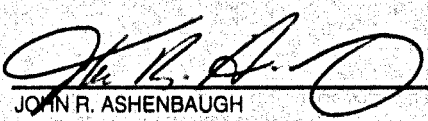
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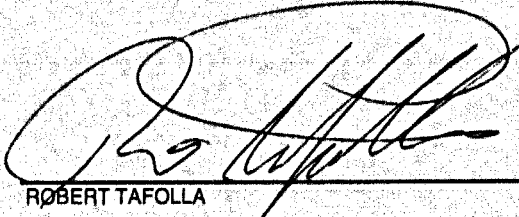


**ADDITIONAL TERMS**

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.

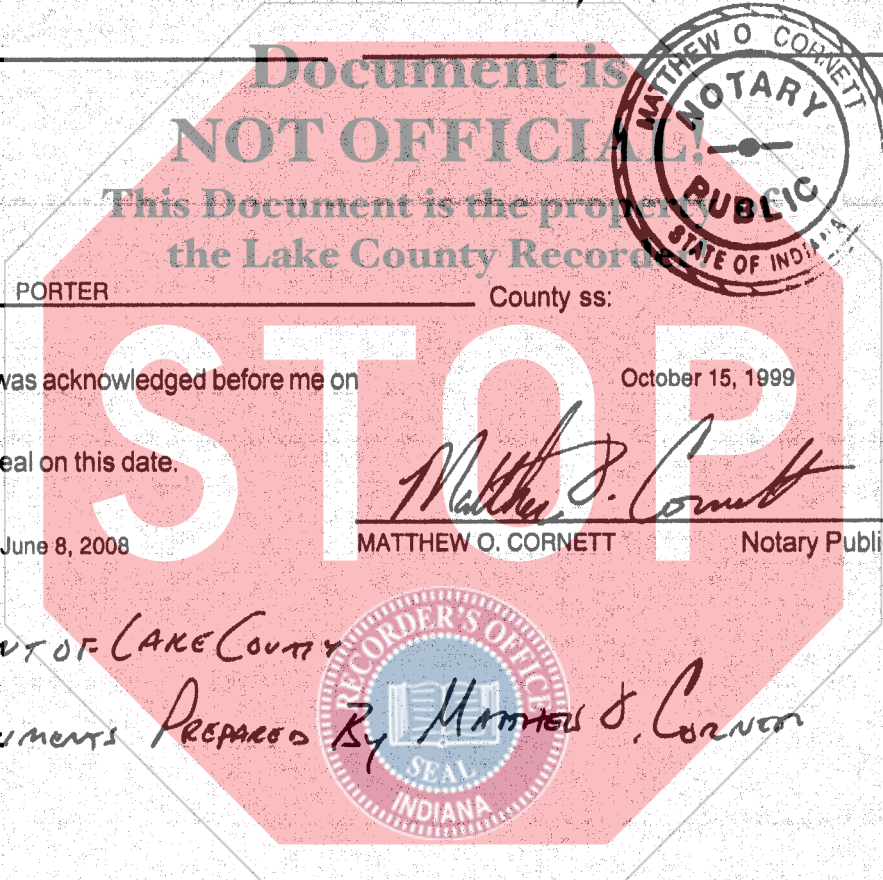
WITNESS:

  
JOHN R. ASHENBAUGH

  
ROBERT TAFOLLA

(Seal)  
Borrower

\_\_\_\_\_  
(Seal)  
Borrower



STATE OF INDIANA, PORTER County ss:

The foregoing instrument was acknowledged before me on October 15, 1999, by

ROBERT TAFOLLA

WITNESS my hand and seal on this date.

  
MATTHEW O. CORNETT

Notary Public

My Commission expires: June 8, 2008

*RESIDENT OF LAKE COUNTY  
Documents Prepared By Matthew O. Cornett*

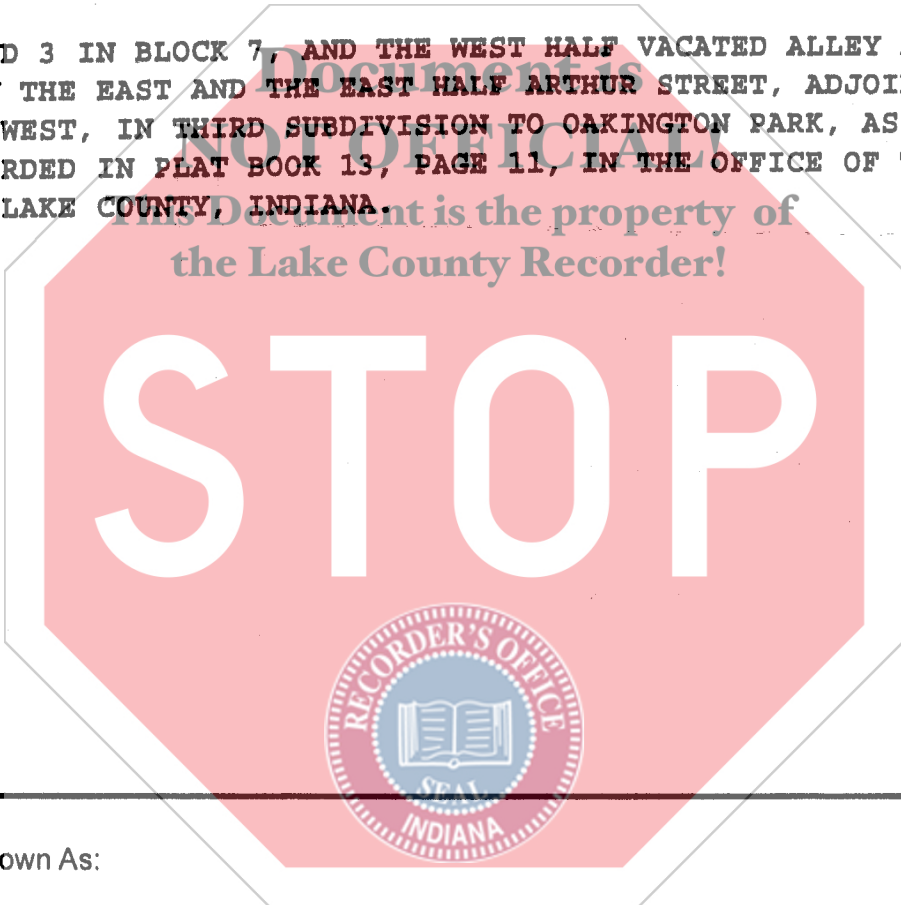
**SCHEDULE A**

Name of Borrower(s) ROBERT TAFOLLA

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

Legal Description of Real Property:

LOTS 1, 2 AND 3 IN BLOCK 7, AND THE WEST HALF VACATED ALLEY ADJOINING SAID LOTS ON THE EAST AND THE EAST HALF ARTHUR STREET, ADJOINING SAID LOTS ON THE WEST, IN THIRD SUBDIVISION TO OAKINGTON PARK, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 13, PAGE 11, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.



Real Property  
Commonly Known As:

4301 ARTHUR ST GARY, IN 46406