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# MORTGAGE

This mortgage ("Security Instrument") is given on February 22, 2006. The mortgagors are David L. Irions and Michelle Irions, of 3237 North Drive, Highland, Lake County, Indiana ("Borrowers"). This security instrument is given to FM Excel, a corporation organized and existing under the laws of Indiana, with its principal office located at P.O. Box 424, Griffith, Lake County, Indiana ("Lender"). Borrower owes lender the principal sum of \$ \$6,500.00. This debt is evidenced by borrower's note dated the same date as this security instrument ("Mortgage Note"), which provides for the payment of principal and interest on the refinance or sale of the real estate located at 3237 North Drive, Highland, IN.. This security instrument secures to lender: (a) the repayment of the debt evidenced by the note, with interest, and all renewals, extensions, and modifications; (b) the payment of all other sums, with interest, advanced under Section Seven to protect the security of this security instrument; and (c) the performance of borrower's covenants and agreements under this security instrument and the note. For this purpose, borrower does mortgage, grant, and convey to lender the following-described property located in Lake County, Indiana:

Lot 8 in Block 11 in Homestead Gardens Master Addition, in the Town of Highland, as per plat thereof, recorded in Plat Book 32 page 46, in th Office of the Recorder of Lake County, Indiana.

which has the address of 3237 North Drive, Highland, Indiana 46322 ("property address");

Together with all the improvements now or to be erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil, and gas rights and profits, water rights and stock and all fixtures now or to become a part of the property. All replacements and additions shall also be covered by this security instrument. All of the foregoing is referred to in this security instrument as the "property."

Borrower covenants that borrower is lawfully seised of the estate conveyed by this security instrument and has the right to mortgage, grant, and convey 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 covenant and agree as follows:

## SECTION ONE

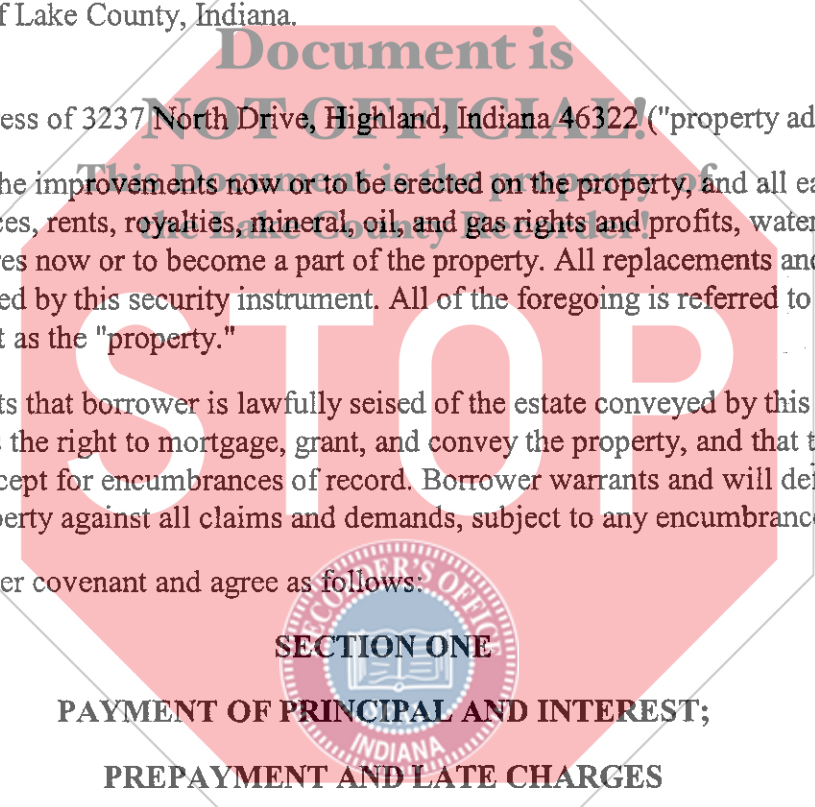
### PAYMENT OF PRINCIPAL AND INTEREST; PREPAYMENT AND LATE CHARGES

Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the note.

## SECTION TWO

### FUNDS FOR TAXES AND INSURANCE

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Subject to applicable law or to a written waiver by lender, borrower shall pay to lender the payment due under the note, and any (a) yearly taxes and assessments that may attain priority over this security instrument; (b) yearly leasehold payments or ground rents on the property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any.

### **SECTION THREE**

#### **APPLICATION OF PAYMENTS**

Unless applicable law provides otherwise, all payments received by lender under Sections One and Two shall be applied: first, to late charges due under the note; second, to interest due; and last, to principal due.

### **SECTION FOUR**

#### **CHARGES; LIENS**

Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the property that may attain priority over this security instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in Section Two, or if not paid in that manner, borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to lender all notices of amounts to be paid under this paragraph. If borrower makes these payments directly, borrower shall promptly furnish to lender, upon lender's request, receipts evidencing the payments.

Borrower shall promptly discharge any lien that 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 forfeiture of any part of the property; 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 that 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 ten (10) days of the giving of notice.

### **SECTION FIVE**

#### **HAZARD INSURANCE**

Borrower shall keep the improvements now existing or to be erected on the property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards for which lender requires insurance. This 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 withheld unreasonably.

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 the restoration or repair of the property damaged, if the restoration or repair is economically feasible and lender's security is not lessened. 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 amount to be paid to the borrower and lender as agreed by the terms of the mortgage note. If borrower abandons the property, or does not answer within thirty (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 thirty-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 payment referred to in Sections One and Two or change the amount of the payment. If under Section Nineteen, the property is acquired by lender, 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.

**SECTION SIX  
PRESERVATION AND MAINTENANCE OF  
PROPERTY; LEASEHOLDS**

Borrower shall not destroy, damage, or substantially change the property, allow the property to deteriorate, or commit waste. If this security instrument is on a leasehold, borrower shall comply with the provisions of the lease, and if borrower acquires fee title to the property, the leasehold and fee title shall not merge unless lender agrees to the merger in writing.

**SECTION SEVEN  
PROTECTION OF LENDER'S RIGHTS IN THE  
PROPERTY; MORTGAGE INSURANCE**

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 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 that has priority over this security instrument, appearing in court, paying reasonable attorney's fees, and entering on the property to make repairs. Although lender may take action under this paragraph, lender does not have to do so.

Any amounts disbursed by lender under this Section Seven 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 note rate and

shall be payable, with interest, on notice from lender to borrower requesting payment.

## **SECTION EIGHT**

### **INSPECTION**

Lender or its agent may make reasonable entries on 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.

## **SECTION NINE**

### **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 a conveyance in lieu of condemnation, are now 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, 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.

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 thirty (30) days after the date the notice is given, lender is authorized to collect and apply the proceeds, at its option, either to the 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 note.

## **SECTION TEN**

### **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 the 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.



## SECTION ELEVEN

### SUCCESSORS AND ASSIGNS BOUND;

### JOINT AND SEVERAL LIABILITY; COSIGNERS

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 Section Seventeen. Borrower's covenants and agreements shall be joint and several. Any borrower who cosigns this security instrument but does not execute the note: (a) is cosigning this security instrument only to mortgage, grant, and convey 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 note without that borrower's consent.

## SECTION TWELVE

### 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 that exceeded permitted limits will be refunded to borrower. Lender may choose to make this refund by reducing the principal owed under the 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 note.

## SECTION THIRTEEN

### LEGISLATION AFFECTING LENDER'S RIGHTS

If the enactment or expiration of applicable laws has the effect of rendering any provision of the note or this security instrument unenforceable according to its terms, lender, at its option, may require immediate payment in full of all sums secured by this security instrument and may invoke any remedies permitted by Section Nineteen. If lender exercises this option, lender shall take the steps specified in the second paragraph of Section Seventeen.

## SECTION FOURTEEN

### 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 the 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 in this security instrument 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.

## **SECTION FIFTEEN**

### **GOVERNING LAW; SEVERABILITY**

This security instrument shall be governed by federal law and the law of the jurisdiction in which the property is located. If any provision or clause of this security instrument or the note conflicts with applicable law, the conflict shall not affect other provisions of this security instrument or the note which can be given effect without the conflicting provision. To this end the provisions of this security instrument and the note are declared to be severable.

## **SECTION SIXTEEN**

### **BORROWER'S COPY**

Borrower shall be given one conformed copy of the note and of this security instrument.

## **SECTION SEVENTEEN**

### **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 its exercise is prohibited by federal 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 thirty (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.

## **SECTION EIGHTEEN**

### **BORROWER'S RIGHT TO REINSTATE**

If borrower meets certain conditions, borrower shall have the right to have the enforcement of this security instrument discontinued at any time prior to the earlier of: (a) Five days (or such other period as applicable law may specify for reinstatement) before the 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 that then would be due under this security instrument and the note had no acceleration 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 attorney's 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. On reinstatement by borrower, this security instrument and the obligations secured by it shall remain fully effective as if no acceleration had

occurred. However, this right to reinstate shall not apply in the case of acceleration under Sections Thirteen or Seventeen.

## SECTION NINETEEN

### ACCELERATION; REMEDIES

Lender shall give notice to borrower prior to acceleration following borrower's breach of any covenant or agreement in this security instrument (*but not prior to acceleration under Sections Thirteen and Seventeen 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 thirty (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 the acceleration of the sums secured by this security instrument, foreclosure by judicial proceedings, 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 nonexistence 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 this security instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph, including, but not limited to, reasonable attorney's fees and the costs of title evidence.

## SECTION TWENTY

**NOT OFFICIAL!**

**LENDER IN POSSESSION**

**This Document is the property of**

On acceleration under Section Nineteen, or abandonment of the property, lender (by judicially appointed receiver) shall be entitled to enter on, take possession of, and manage the property, and to collect the rents of the property including those past due. Any rents collected by lender or the receiver shall be applied first to the payment of the costs of management of the property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds, and reasonable attorney's fees, and then to the sums secured by this security instrument.

## SECTION TWENTY-ONE

### RELEASE

On payment of all sums secured by this security instrument, lender shall release this security instrument without charge to borrower.

## SECTION TWENTY-TWO

### WAIVER OF VALUATION AND APPRAISEMENT

Borrower waives all right of valuation and appraisalment.

## SECTION TWENTY-THREE

### SECURITY AGREEMENT

If any of the property herein mortgaged is of a nature so that a security interest therein can be perfected under the Uniform Commercial Code, this instrument shall constitute a Security Agreement and mortgagors agree to join with the mortgagee in the execution of any financing statements and to execute any other instruments that may be required for the perfection or renewal of such security interest under the Uniform Commercial Code.

Borrower accepts and agrees to the terms and covenants contained in this security instrument.

David L. Irions

David L. Irions, 3237 North Drive, Highland, IN

Michelle Irions

Michelle Irions, 3237 North Drive, Highland, IN

STATE OF ~~INDIANA~~ <sup>Illinois</sup> )  
COUNTY OF ~~LAKE~~ <sup>Cook</sup> )

Document is  
NOT OFFICIAL!

This Document is the property of  
the Lake County Recorder!

David T. Irions

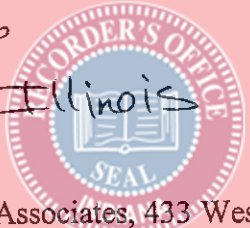
Before me, a Notary Public in and for said County and State, personally appeared David L. Irions and Michelle Irions who acknowledged the execution of the foregoing Mortgage, and who, having been duly sworn, stated that any representations therein contained are true.

Witness my hand and Notarial Seal this 27 day of Feb, 2006.

Kassandra Minyard

My commission expires: 05/15/06

Resident of Cook County, ~~Indiana~~ Illinois



This Instrument was prepared by:

Catherine Molnar-Boncela, Gouveia & Associates, 433 West 84<sup>th</sup> Drive, Merrillville, IN 46410



# Mortgage Note

February \_\_, 2006

## SECTION ONE

### BORROWER'S PROMISE TO PAY

In return for a loan that we, David L. Irions and Michelle Irions, of 3237 North Drive, Highland, Lake County, Indiana 46322, ("Borrowers"), have received, we promise to pay the greater of \$6,500.00 or the Amount computed in accordance with Paragraph Two ("Principal"), plus interest, to the order of FM Excel, a corporation organized and existing under the laws of Indiana, with its principal office located at P.O. Box 424, Griffith, Lake County, Indiana (the "Lender"). I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is referred to in this Note as the "Note Holder."

## SECTION TWO

### PRINCIPAL

- A. Principal Amount Due. The principal amount due under this note shall be the greater of \$6,500.00 plus interest determined according Paragraph Three, or 58% of the "Profit" resulting from the sale or appraisal of the real estate located at 3237 North Drive, Highland, IN 46322.
- B. Profit. The Profit shall be defined as the purchase price or fair market value as determined by an appraisal of the real estate located at 3237 North Drive, Highland, IN 46322, minus the \$6500.00 paid by FM Excel and the \$4730.00 paid by David L. Irions, utilized in the refinancing of said real estate by the Borrowers.
- C. Appraisal. The Appraisal of the property located at 3237 North Drive, Highland, IN 46322 for any refinancing will be by a licensed, independent appraiser chosen by FM Excel and the cost of said Appraisal shall be paid equally by the parties.

## SECTION THREE

### INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid. We will pay interest at an annual percentage rate of 8% amatorized over the life of the loan from January 1, 2006.

## SECTION FOUR

### PAYMENTS

We will pay principal and interest upon the sale or refinance of certain real estate located at 3237 North Drive, Highland, IN 46322 on or before January 1, 2007.

## SECTION FIVE

### BORROWER'S FAILURE TO PAY AS REQUIRED

A. Default. If We do not pay the full amount on the date it is due, We will be in default.

B. Payment of Note Holder's Costs and Expenses. If We are in default, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note, whether or not a lawsuit is brought, to the extent not prohibited by applicable law. These expenses may include reasonable attorney's fees.

## SECTION SIX

### GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to us under this Note will be given by delivering it or by mailing it by first class mail to us at the property address provided below beneath my signature or at a different address if we give the Note Holder a notice of my different address. Any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section One, above or at a different address if We are given a notice of that different address.

## SECTION SEVEN

### OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety, or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety, or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

## SECTION EIGHT

### WAIVERS

We waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

## SECTION NINE

### THIS NOTE COVERED BY A MORTGAGE

A Mortgage dated February \_\_, 2006, protects the Note Holder from possible losses which might result if I do not keep the promises which we make in this Note. That Mortgage describes

how and under what conditions we may be required to make immediate payment in full of all amounts that I owe under this Note.

**SECTION TEN**

**MISCELLANEOUS PROVISIONS**

If the Note Holder at any time discovers that this Note or the Security Instrument or any other document related to this loan (collectively "Loan Documents") contains an error which was caused by a clerical or ministerial mistake, calculation error, computer error, printing error or similar error (collectively "Errors"), We agree, upon notice from the Note Holder, to re-execute any Loan Documents that are necessary to correct any such errors and I also agree that we will not hold the Note Holder responsible for any damage to us which may result from any such errors.

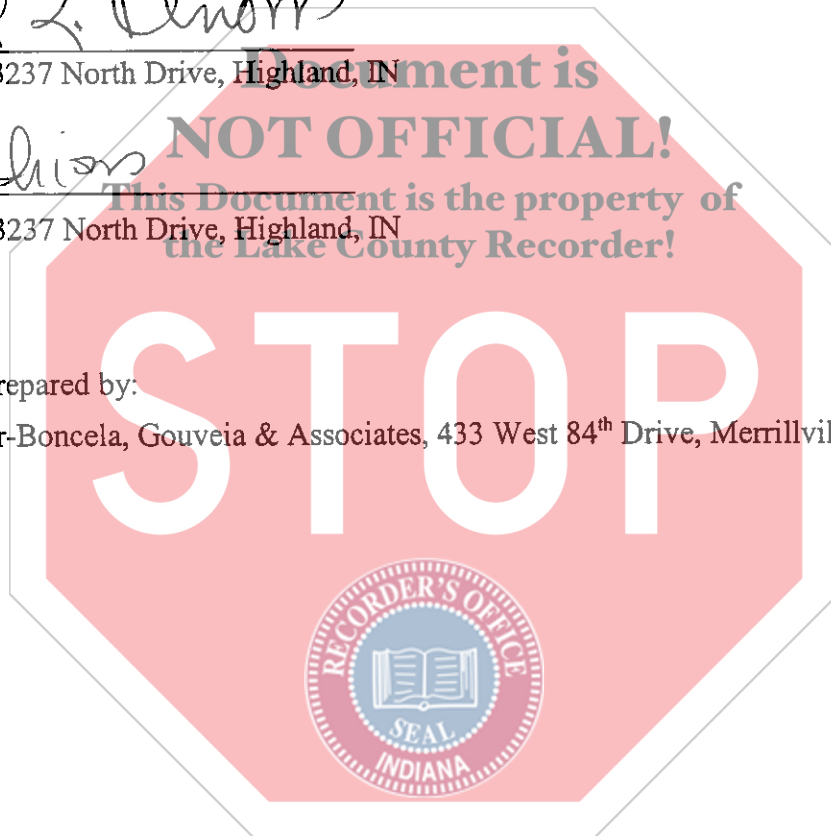
If any of the Loan Documents are lost, stolen, mutilated or destroyed and the Note Holder delivers to us an indemnification in my favor, signed by the Note Holder, then we will sign and deliver to the Note Holder a Loan Document identical in form and content which will have the effect of the original for all purposes.

*David L. Irions*

David L. Irions, 3237 North Drive, Highland, IN

*Michelle Irions*

Michelle Irions, 3237 North Drive, Highland, IN



This document prepared by:

Catherine Molnar-Boncela, Gouveia & Associates, 433 West 84<sup>th</sup> Drive, Merrillville, IN 46410

Prescribed by the  
State Board of Accounts  
(2005)

County form 170

Declaration


This form is to be signed by the preparer of a document and recorded with each document in accordance with IC 36-2-7.5-5(a).

I, the undersigned preparer of the attached document, in accordance with IC 36-2-7.5, do hereby affirm under the penalties of perjury:

1. I have reviewed the attached document for the purpose of identifying and, to the extent permitted by law, redacting all Social Security number in attached document.
2. I have redacted, to the extent permitted by law, each Social Security number in the attached document.

I, undersigned, affirm under the penalties of perjury, that the foregoing declarations are true.



  
Signature of Declarant

RAYMOND FLORES  
Printed Name of Declarant