

9.

When recorded, mail to:

Anne M. Wolniakowski
Chuhak & Tecson, P.C.
30 South Wacker Drive
Suite 2600
Chicago, IL 60606

2006 069110

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2006 AUG -9 AM 9:46

MICHAEL BROWN
RECORDER

620062993 UD

MORTGAGE

This Mortgage is made and entered into as of this 19 day of July, 2006 by and between **Rena Little** (hereinafter referred to as the "Mortgagor") and **David A. St. Clair and Elizabeth A. St. Clair**, as joint tenants, with rights of survivorship (hereinafter collectively referred to as the "Mortgagee"), its successors and assigns, and pertains to the real estate located in the County of Lake, State of Indiana.

NOW, THEREFORE, in order to secure the payment of all principal and interest and any other sums that may now or hereinafter become due from Mortgagor to Mortgagee under the Promissory Note ("Note") executed concurrently herewith by the Mortgagor and delivered to the Mortgagee bearing even date herewith, the principal amount of One Hundred Thousand Dollars (\$100,000.00) as well as the performance of all the other covenants, provisions, agreements and obligations contained herein, Mortgagor hereby grants, sells, assigns, releases, transfers, conveys and mortgages to Mortgagee that certain real estate and all of Mortgagor's estate, right, title and interest commonly known as 603 N. Broad, Griffith, Indiana 46319 and legally described on Exhibit A hereto ("Property"). The Property shall be subject to the lien of this Mortgage.

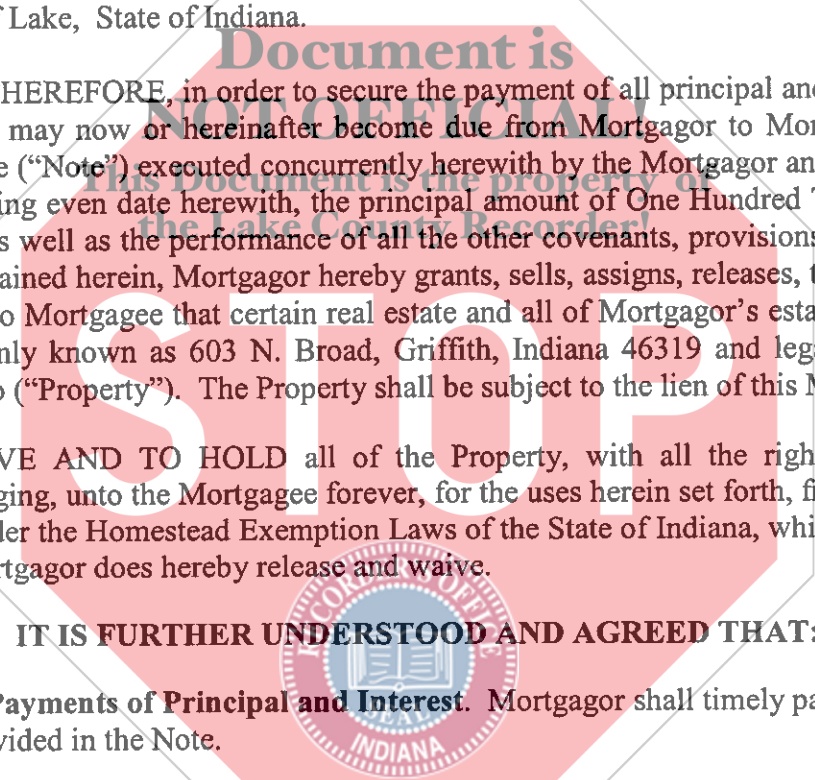
TO HAVE AND TO HOLD all of the Property, with all the rights and privileges thereunto belonging, unto the Mortgagee forever, for the uses herein set forth, free from all rights and benefits under the Homestead Exemption Laws of the State of Indiana, which said rights and benefits the Mortgagor does hereby release and waive.

IT IS FURTHER UNDERSTOOD AND AGREED THAT:

- 1. Payments of Principal and Interest.** Mortgagor shall timely pay the interest and principal as provided in the Note.
- 2. Payment of Taxes and Assessments.** Mortgagor shall pay when due and before penalty attaches thereto all taxes, special taxes, special assessments, water charges and sewer service charges against the Property (including those theretofore due) and to furnish Mortgagee, upon request, with duplicate receipts therefor, and all such items extended against the Property shall be conclusively deemed valid for the purpose of this requirement.

30th
LT
B

Chicago Title Insurance Company



3. **Insurance.** Mortgagor shall at all times keep all buildings, improvements, fixtures and articles of personal property now or hereafter situated on the Property insured against loss or damage by fire and such other hazards as may reasonably be required by Mortgagee, including without limitation: (a) all-risk fire and extended coverage insurance, with vandalism and malicious mischief endorsements, for the full replacement value of the Property, with agreed upon amount and inflation protection endorsements; (b) if there are tenants under leases at the Property, rent and rental value or business loss insurance for the same perils described in clause (a) above payable at the rate per month and for the period specified from time to time by Mortgagee; (c) if the Property are located in a flood hazard area, flood insurance in the maximum amount obtainable up to the amount of the indebtedness hereby secured; and (d) such other insurance as Mortgagee may reasonably require from time to time. Mortgagor shall be the named insured under such policies and Mortgagee shall be identified as an additional insured party. All policies of insurance to be furnished hereunder shall be in forms, with companies, in amounts and with deductibles reasonably satisfactory to Mortgagee, with mortgagee clauses attached to all policies in favor of and in a form satisfactory to Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or modified without thirty (30) days prior written notice to Mortgagee and shall contain endorsements that no act or negligence of the insured or any occupant and no occupancy or use of the Property for purposes more hazardous than permitted by the terms of the policies will affect the validity or enforceability of such policies as against Mortgagee.

4. **Maintenance, Repair and Renovation of Improvements.** Mortgagor shall: (a) immediately after destruction or damage, commence and complete the rebuilding or restoration of buildings and improvements now or hereafter on the Property, unless the Mortgagee elects to apply the indebtedness secured hereby the proceeds of any insurance covering such destruction or damage; (b) keep the Property in good condition and repair without waste and free from any mechanic's lien or other lien or claim of lien not expressly subordinate to the lien hereof; (c) not make, suffer or permit any unlawful use of or any nuisance to exist on the Property nor to diminish nor impair its value by any act or omission to act; (d) comply with all requirements of law with respect to the Property and the use thereof; (e) not make, suffer or permit, without the written permission of the Mortgagee being first had or obtained: (i) any use of the Property for any purpose other than that for which it is now used; (ii) any structural alterations of the improvement, apparatus, appurtenances, fixtures or equipment now or hereafter on the Property; and (iii) any purchase or conditional sale, lease or agreement under which a title is reserved in vendor, of any apparatus, fixtures or equipment to be placed in or upon any buildings or improvements on the Property; (f) not enter into or have entered into management contracts affecting or in any way relating to the Property for which lien rights may exist under the terms of the Mechanics' Lien Act or similar act in effect in the State of Indiana which have not or will not be expressly subordinated to the lien hereof; and (g) duly perform and observe all of the covenants, terms, provisions and agreements herein, in the Note and in the other loan documents on the part of Mortgagor to be performed and observed.

5. **Failure of Mortgagor to Make Payment.** In the event of failure of the Mortgagor to make any payment of whatever nature, periodic or otherwise required by the terms hereof or by the provisions of the Note secured hereby, the Lender may, at its option, discharge such obligation of the Mortgagor by itself advancing such payment; and, in that event, all such advances shall be added to the unpaid balance under the Note as of the first day of the month

during which such advance is made, and the advance and interest thereon shall be secured hereby.

6. **Mortgagor's Failure to Perform.** In case of failure to perform any of the covenants herein, Mortgagee may, but need not, make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient by Mortgagee, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting the Property or consent to any tax or assessment or cure any default of Mortgagor in any lease of the Property. Mortgagee may also do any act it may deem necessary to protect the lien hereof. Mortgagor will repay upon demand any monies paid or disbursed by Mortgagee for any of the above purposes and such monies, together with any interest thereon at the rate then applicable under the terms of the Note hereby secured shall become so much additional indebtedness secured by this Mortgage with the same priority as the original indebtedness and may be included in any decree foreclosing this Mortgage and be paid out of the rents and proceeds of sale of the Property if not otherwise paid. It shall not be obligatory upon the Mortgagee to inquire into the validity of any lien, encumbrance or claim in advancing moneys as above authorized, but nothing herein contained shall be construed as requiring the Mortgagee to advance any moneys for any purpose nor to do any act hereunder. The Mortgagee shall not incur any personal liability because of anything it may do or omit to do hereunder.

7. **Additional Indebtedness Secured.** It is the intent hereof to secure payment of the Note and obligations hereunder whether the entire amount shall have been advanced to the Mortgagor at the date hereof, or at a later date, and to secure any other amount or amounts that may be added to the Mortgage indebtedness under the terms of this Mortgage contract.

8. **Acceleration.** At the option of the holder of the Note and obligations hereby secured, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the Note or Mortgage to the contrary, become immediately due and payable (a) if the Mortgagor sells or conveys, contracts to sell or convey, or further encumbers the Property or any portion thereof; or (b) if ownership of the Property becomes vested in a person other than the undersigned. Acceptance of any payment required by the Note or on account of said indebtedness after the occurrence of any such contingency shall not be taken as a waiver of such option.

9. **Default.** Time is of the essence hereof and if default be made in performance of any covenant herein contained or under the Note or obligation or any extension or renewal thereof, or if proceedings be instituted to enforce any other lien or charge upon any of the Property, or if proceedings in bankruptcy be instituted by or against the Mortgagor, or any guarantor of the Note, or if the Mortgagor, or any guarantor of the Note, make an assignment for the benefit of their creditors or if their Property be placed under control of, or in custody of, any court or if the Mortgagor, or any guarantor of the Note, abandons any of the Property or if there exists any inaccuracy or untruth in any material respect in any representation or warranty contained in this Mortgage or any of the facts delivered to Mortgagee by Mortgagor, or any guarantor of the Note; then and in any of said events, the Mortgagee is hereby authorized and empowered, at its option and without affecting the lien hereby created or the priority of said lien

or any right of the Mortgagee hereunder, to declare all sums secured hereby immediately due and payable and apply toward the payment of the Mortgage indebtedness, any indebtedness of the Mortgagor to the Mortgagee may also immediately proceed to foreclose this Mortgage, and in any foreclosure, a sale may be made of the premises *en masse* without offering the several parts separately. Notwithstanding anything to the contrary contained herein, in the event of any act allowing acceleration of the indebtedness evidenced hereby or any breach hereof or default hereunder, the Mortgagee shall mail notice to the Mortgagor and to the guarantor of the Note secured hereby specifying: (a) the breach; (b) the action required to cure such breach; (c) a date, not less than fifteen (15) days from the date the notice is mailed to the undersigned, by which such breach must be cured; and (d) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage. If the breach is not cured on or before the date specified in the notice, Mortgagee may proceed to foreclose this Mortgage by judicial proceedings and according to the Indiana Statutes in such case provided. No failure, even though repeated, by Mortgagee to exercise any option contained in this Mortgage or the Note secured hereby, and no waiver, even though repeated, of performance of any of the covenants contained in either such instrument shall in any way affect the right of the Mortgagee thereafter to exercise such option or to require or enforce performance of such covenant.

10. **Mortgagee's Right of Possession in Case of Default.** At any time after default in the performance of any covenant herein contained has occurred, Mortgagor shall, upon demand of Mortgagee, surrender to Mortgagee possession of the Property. Mortgagee, in its discretion, may, with or without process of law, enter upon and take and maintain possession of all or any part of the Property, together with all documents, books, records, papers and accounts relating thereto, and may exclude Mortgagor and its respective agents or servants therefrom, and Mortgagee may then hold, operate, manage and control the Property, either personally or by its agents. Mortgagee shall have full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary to enforce the payment or security of the avails, rents, issues, and profits of the Property, including actions for the recovery of rent, actions in forcible detainer and action in distress for rent. Without limiting the generality of the foregoing, Mortgagee shall have full power to: (a) terminate, extend or modify any existing lease or sublease or enter into new leases; (b) make any repairs, decorating renewals, replacements, alterations, additions, betterments and improvements to the Property as Mortgagee deems are necessary; (c) insure and reinsure the Property and all risks incidental to Mortgagee's possession, operation and management thereof; and (d) receive all of such avails, rents, issues and profits.

11. **Condemnation.** In case the Property, or any part thereof, shall be taken by condemnation, the Mortgagee is hereby empowered to collect and receive all compensation which may be paid for any Property taken or for damages to any Property not taken and all condemnation compensation so received shall be forthwith applied by the Mortgagee as it may elect, to the immediate reduction of the indebtedness secured hereby, or to the repair and restoration of any Property so damaged, provided that any excess over the amount of the indebtedness shall be delivered to the Mortgagor or its assignee, irrespective of whether such principal balance is then due and payable and, at any time from and after the taking, Mortgagee may declare the whole of the balance of the indebtedness hereby secured to be due and payable.

12. **Assignment of Rents, etc.** All easements, rents, issues and profits of the Property, if any, are specifically pledged, assigned and transferred to the Mortgagee, whether now due or hereafter to become due under or by virtue of any lease or agreement, if any, for the use or occupancy of the Property, or any part thereof, whether said lease or agreement be written or verbal, and it is the intention hereby to pledge said rents, issues and profits on a parity with said real estate and not secondarily, and such pledge shall not be deemed merged in any foreclosure decree.

13. **Foreclosure.** Upon the commencement of any foreclosure proceeding hereunder, the court in which suit is filed may at any time, either before or after sale, and without notice to the Mortgagor, or any party claiming under it, and without regard to the solvency of the person or persons, if any are liable for the payment of the indebtedness secured hereby, and without regard to the then value of the Property, appoint a receiver with power to manage and rent and to collect the rents, issues and profits of the Property during the pendency of such foreclosure suit and the statutory period of redemption and such rents, issues and profits, when collected, may be applied, before as well as after the foreclosure sale and before as well as after any redemption by any person, towards the payment of the sale and before, as well as after any redemption by any person, towards the payment of the indebtedness, costs, taxes, insurance or other items necessary for the protection and preservation of the Property, including the expenses of such receivership, or on any deficiency decree whether there be a decree therefor *in personam* or not; and if a receiver shall be appointed, he shall remain in possession until the expiration of the full period allowed by statute for redemption, irrespective of whether there be redemption or not, and no lease of the Property shall be nullified by the appointment or entry in possession of a receiver but he may elect to terminate any lease junior to the lien hereof.

14. **Application of Income Received by Mortgagee.** Mortgagee, in the exercise of the rights and powers hereinabove conferred upon it, shall have full power to use and apply the avails, rents, issues and profits of the Property to the full extent allowable under Indiana Mortgage Foreclosure Law.

15. **Release.** The Mortgage shall be released by Mortgagee by proper instrument upon payment to it of all indebtedness secured hereby.

16. **Mortgagee's Right of Inspection.** Mortgagee and its representatives shall have the right to inspect the Property and the books and records with respect thereto at all reasonable times, and access thereto shall be permitted for that purpose.

17. **Waiver of Defenses.** No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing the same in an action at law upon the Note.

18. **Further Instruments.** Upon request of Mortgagee, Mortgagor shall execute, acknowledge and deliver all such additional instruments and further assurances of title and shall do or cause to be done all such further acts and things as may reasonably be necessary fully to effectuate the intent of this Mortgage and the Note.

19. **Miscellaneous.**

(a) **Severability.** In the event any one or more of the provisions contained in this Mortgage, the Note or in any of the loan documents shall, for any reason whatsoever, be held to be inapplicable, invalid, illegal or unenforceable in any respect, such inapplicability, invalidity, illegality or unenforceability shall, at the option of Mortgagee, not affect any other provision of the Mortgage, but this Mortgage shall be construed as if such inapplicable, invalid, illegal or unenforceable provision had never been contained herein or therein.

(b) **Successors.** All of the grants, covenants, terms, provisions and conditions herein shall run with the land and shall apply to, bind and inure to the benefit of, the successors and assigns of Mortgagor and the successors and assigns of Mortgagee.

(c) **Estoppel.** Mortgagor will, on the request of Mortgagee, furnish a written statement of the amount owing on the obligation which this Mortgage secures and therein state whether or not Mortgagor claims any defenses or offsets thereto.

(d) **Cumulative Rights.** Each right, power and remedy herein conferred upon the Mortgagee is cumulative of every other right or remedy of the Mortgagee, whether herein or by law conferred, and may be enforced concurrently therewith.

(e) **Context.** Wherever the context hereof requires, the masculine gender, as used herein, shall include the feminine and the neuter, and the singular number, as used herein, shall include the plural.

(f) **Exercise of Powers.** The powers herein mentioned may be exercised as often as occasion thereof arises.

(g) **Effect of Extension of Time.** If the payment of the indebtedness secured hereby or any part thereof is extended or varied or if any part of any security for the payment of the indebtedness is released, all persons now or at any time hereafter liable therefor, or interested in the Property or having an interest in Mortgagor, shall be held to assent to such extension, variation or release, and their liability and the lien and all of the provisions hereof shall continue in full force, any right of recourse against all such persons being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

(h) **Non-Waiver/Subrogation.** Mortgagee's failure to act shall never be considered as a waiver of any right accruing to Mortgagee on account of any Event of Default. Should any amount paid out or advanced by Mortgagee hereunder, or pursuant to any agreement executed by Mortgagor in connection herewith, be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any lien or encumbrance upon the Property or any part thereof, then Mortgagee shall be subrogated to any and all rights, equal or superior titles, liens and equities, owned or claimed by any owner or holder of said outstanding liens, charges and indebtedness, regardless of whether said

liens, charges and indebtedness are acquired by assignment or have been released of record by the holder thereof upon payments.

(i) Notice. Any notices, communications and waivers under this Mortgage shall be in writing and shall be (1) delivered in person; (2) mailed, postage prepaid, either by registered or certified mail, return receipt requested; or (3) by overnight express carrier, addressed in each case as follows:

To Mortgagee: David and Elizabeth St. Clair
10303 West 93rd Avenue
St. John, Indiana 46373

To Mortgagor: Rena Little
603 N. Broad
Griffith, Indiana 46319

or to any other address as to any of the parties hereto, as such party shall designate in a written notice to the other party hereto.

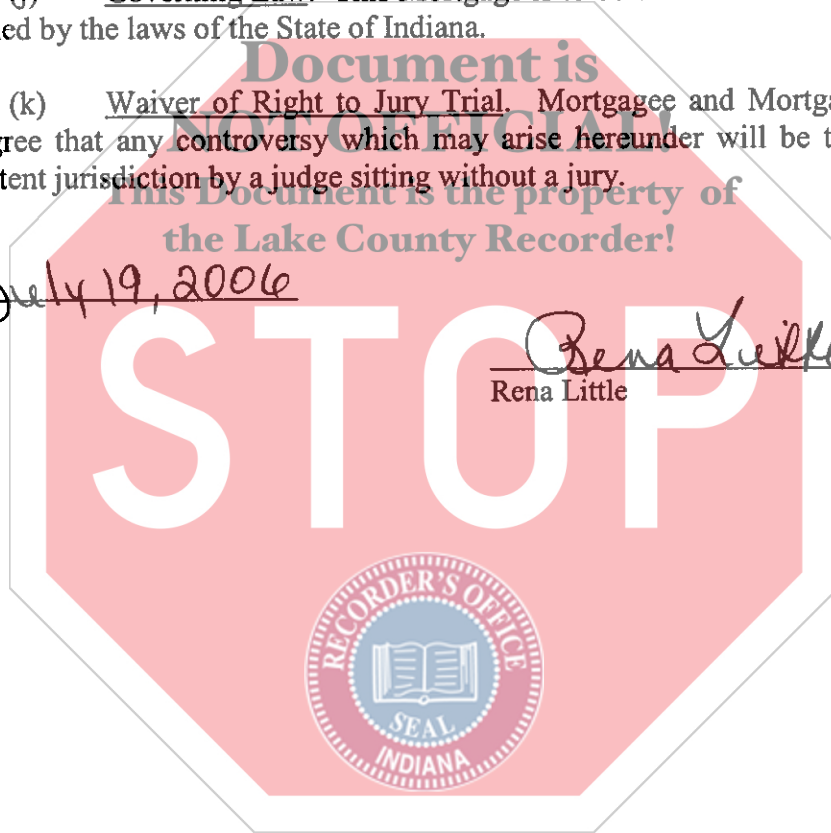
(j) Governing Law. This Mortgage is to be construed in accordance with and governed by the laws of the State of Indiana.

(k) Waiver of Right to Jury Trial. Mortgagee and Mortgagor acknowledge and agree that any controversy which may arise hereunder will be tried in a court of competent jurisdiction by a judge sitting without a jury.

Dated: _____

July 19, 2006

Rena Little
Rena Little

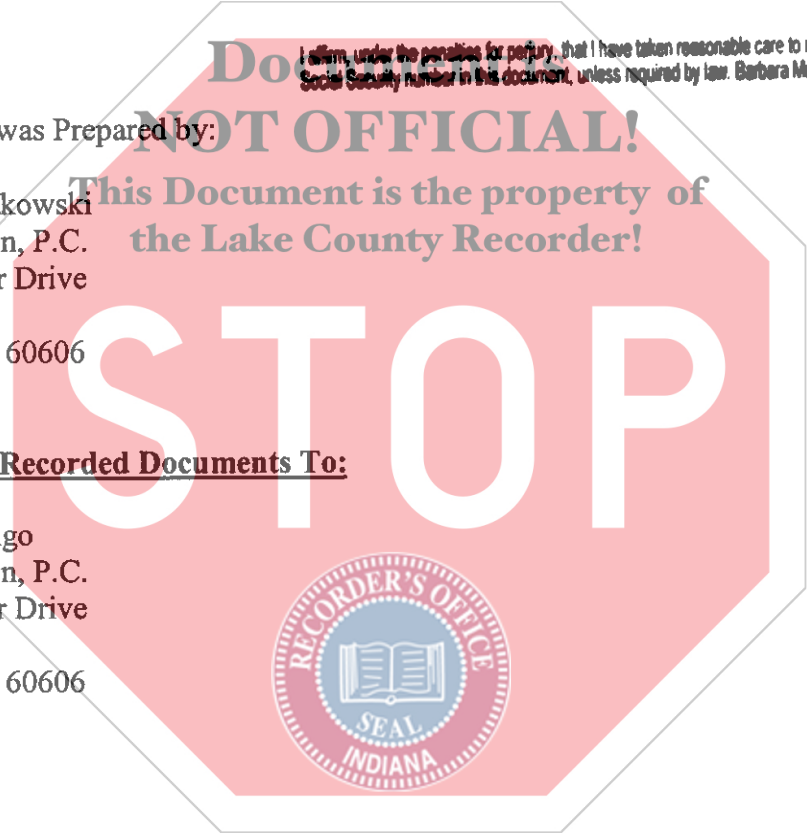


STATE OF INDIANA)
) SS
COUNTY OF LAKE)

I, the undersigned, a Notary Public in and for said County, DOES HEREBY CERTIFY THAT RENA LITTLE, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument appeared before me this day in person, and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and seal this July 19, 2006.
[Signature]
Notary Public

My commission expires 6/12/11



This Instrument was Prepared by:

Anne M. Wolniakowski
Chuhak & Tecson, P.C.
30 South Wacker Drive
Suite 2600
Chicago, Illinois 60606
(312) 444-9300

Please Mail All Recorded Documents To:

Joseph A. Zarlengo
Chuhak & Tecson, P.C.
30 South Wacker Drive
Suite 2600
Chicago, Illinois 60606
(312) 444-9300

EXHIBIT A
LEGAL DESCRIPTION

Commonly known street address: 603 N Broad Street, Griffith, IN 46319

Permanent Tax Index Number: 26-153-22



621068/1/14945/28479
