

THIS INSTRUMENT PREPARED BY:

LAW OFFICES OF PAUL M. KADE
Dadeland Towers North - Suite 400
9200 South Dadeland Boulevard
Miami, Florida 33156-2712
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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2006 083696

2006 SEP 25 AM 9:38

MICHAEL A. BROWN

THIS IS A BALLOON MORTGAGE AND THE FINAL PRINCIPAL PAYMENT FOR THE PRINCIPAL BALANCE DUE UPON MATURITY IS \$50,000.00 TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE.

MORTGAGE

Executed on the 21st day of September, 2006 between **HECTOR GARCIA a/k/a HECTOR GARCIA-ROJAS**, a single man, of 12055 Pine Needle Lane, Miami, Florida 33156, hereinafter referred to as "the Mortgagor," which term includes mortgagor's heirs, executors, administrators, successors, legal representatives, and assigns, and shall denote the singular and/or plural and the masculine and/or feminine and natural and/or artificial persons whenever and wherever the context so requires or admits, and **PAUL M. KADE**, whose address is: Dadeland Towers North, Suite 400, 9200 South Dadeland Blvd., Miami, Florida 33156-2712, hereinafter referred to as "the Mortgagee."

WITNESSETH, that for various good and valuable considerations, and also in consideration of the aggregate sum named in the promissory note of even date herewith, herein described, mortgagor does grant, bargain, sell, alien, remise, release, convey, and confirm unto mortgagee, its successors and assigns, in fee simple, all the certain tract of land of which mortgagor is now seized and possessed, and in actual possession, situated in Lake County, Indiana, described as follows:

Lots 7 and 8, Block 12, Gary Land Company's Eleventh Subdivision, In the City of Gary, as per plat thereof, recorded in Plat Book 13, Page 25, in the Office of the Recorder of Lake County, Indiana.

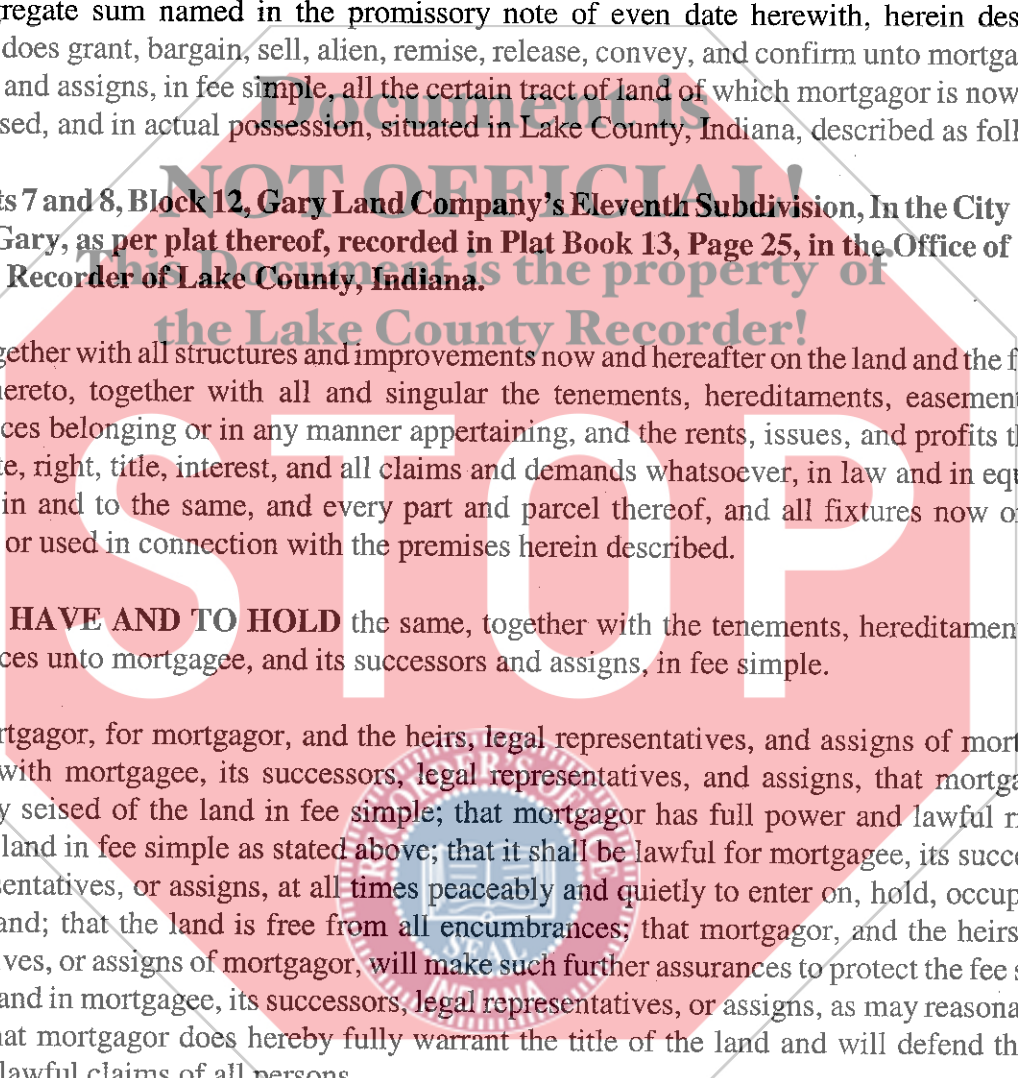
Together with all structures and improvements now and hereafter on the land and the fixtures attached thereto, together with all and singular the tenements, hereditaments, easements, and appurtenances belonging or in any manner appertaining, and the rents, issues, and profits thereof, all the estate, right, title, interest, and all claims and demands whatsoever, in law and in equity, of mortgagor in and to the same, and every part and parcel thereof, and all fixtures now or to be attached to or used in connection with the premises herein described.

TO HAVE AND TO HOLD the same, together with the tenements, hereditaments, and appurtenances unto mortgagee, and its successors and assigns, in fee simple.

Mortgagor, for mortgagor, and the heirs, legal representatives, and assigns of mortgagor, covenants with mortgagee, its successors, legal representatives, and assigns, that mortgagor is indefeasibly seised of the land in fee simple; that mortgagor has full power and lawful right to convey the land in fee simple as stated above; that it shall be lawful for mortgagee, its successors, legal representatives, or assigns, at all times peaceably and quietly to enter on, hold, occupy, and enjoy the land; that the land is free from all encumbrances; that mortgagor, and the heirs, legal representatives, or assigns of mortgagor, will make such further assurances to protect the fee simple title to the land in mortgagee, its successors, legal representatives, or assigns, as may reasonably be required; that mortgagor does hereby fully warrant the title of the land and will defend the land against the lawful claims of all persons.

Provided always, that if mortgagor, mortgagor's heirs, legal representatives, or assigns shall pay to mortgagee, its successors, legal representatives, or assigns, that certain promissory note in the amount of **FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00)**, a true and correct

Chicago Title Insurance Company



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copy of which is appended to this mortgage, and shall perform, comply with, and abide by each and every stipulation, agreement, condition, and covenant of the note and of this mortgage, and shall pay all taxes that may accrue on the property and all costs and expenses that mortgagee, mortgagee's heirs, legal representatives, or assigns may be put to in collecting the note in foreclosure of this mortgage or otherwise, including a reasonable attorney fee, then this mortgage and the estate hereby created shall cease and be null and void.

And mortgagor, for mortgagor, mortgagor's heirs, legal representatives, and assigns, does hereby covenant and agree:

SECTION ONE
PAYMENT OF PRINCIPAL AND INTEREST

To pay all and singular the principal and interest and other sums of money payable by virtue of the promissory note and this mortgage, or either, promptly on the days respectively the same severally become due.

SECTION TWO
TAXES, ASSESSMENTS, AND OTHER CHARGES

To pay all and singular the taxes, assessments, levies, liabilities, obligations, and encumbrances of every nature on the described property, each and every, and if the same are not promptly paid, mortgagee, its successors, legal representatives, or assigns may at any time pay the same without waiving or affecting the option to foreclose or any right hereunder, and every payment so made shall bear interest from the date thereof at the rate of eighteen percent (18%) per annum.

SECTION THREE
CHARGES ARISING FROM DEFAULT

To pay all and singular the costs, charges, and expenses, including attorney's fees, reasonably incurred or paid at any time by mortgagee, its successors, legal representatives, or assigns, because of the failure by mortgagor, mortgagor's heirs, legal representatives, or assigns to perform, comply with, and abide by each and every stipulation, agreement, condition, and covenant of the promissory note and this mortgage, or either, and every such payment shall bear interest from date at the rate of eighteen percent (18%) per annum.

SECTION FOUR
HAZARD INSURANCE

To keep the buildings now or hereafter on the land insured in a sum equal to the highest insurable value, both fire and extended coverage, in a company or companies to be approved by mortgagee, and the policy or policies held by and payable to mortgagee, its successors, legal representatives, or assigns, and in the event any sum of money becomes payable under such policy or policies, mortgagee, its legal representatives, or assigns shall have the option to receive and apply the same on account of the indebtedness hereby secured or to permit mortgagor to receive and use it or any part of it for other purposes, without hereby waiving or impairing any equity, lien, or right under or by virtue of this mortgage, and may place and pay for such insurance or any part of it without waiving or affecting the option to foreclose or any right under this mortgage, and each and every such payment shall bear interest from date at the rate of eighteen percent (18%) per annum.

SECTION FIVE
MAINTENANCE OF PROPERTY

To permit, commit, or suffer no waste, impairment, or deterioration of the property or any part of it, except reasonable wear and tear; and in the event of the failure of mortgagor to keep the

buildings on the premises and those to be erected thereon, or improvements thereon, in good repair, mortgagee may make such repairs as in its discretion it may deem necessary for the proper preservation thereof and the full amount of each and every such payment shall be due and payable thirty (30) days after demand, and shall be secured by the lien of this mortgage.

SECTION SIX
COMPLIANCE WITH TERMS OF
PROMISSORY NOTE

To perform, comply with, and abide by each of the stipulations, agreements, conditions, and covenants in the previously referenced promissory note, a copy of which is attached hereto and incorporated by reference herein.

SECTION SEVEN
APPOINTMENT OF RECEIVER

Mortgagee may, at any time pending a suit on this mortgage, apply to the court having jurisdiction for the appointment of a receiver, and the court shall promptly appoint a receiver of the premises covered by this mortgage all and singular, including all and singular the income, profits, issues, and revenues from whatever source derived, each and every of which, it being expressly understood, is hereby mortgaged, as if specifically set forth and described in this mortgage. The appointment shall be made by the court as an admitted equity and a matter of absolute right to mortgagee, and without reference to the adequacy or inadequacy of the value of the property mortgaged or to the solvency or insolvency of mortgagor or the defendants. Such rents, profits, income, issues, and revenues shall be applied by the receiver according to the lien of this mortgage and the practice of the court. In the event of any default on the part of mortgagor under this mortgage, mortgagor agrees to pay to mortgagee on demand as a reasonable monthly rental for the premises an amount at least equivalent to one-twelfth of the aggregate of the twelve monthly instalments then payable in the current year plus the actual amount of the annual taxes, assessments, water rates, and insurance premiums for the year not covered by the above monthly payments.

SECTION EIGHT
ACCELERATION

If any of such sums of money are not promptly paid within five (5) days after becoming due and payable, or if each of the stipulations, agreements, conditions, and covenants of the promissory note, the aforementioned consent order and this mortgage, or either, are not fully performed, complied with, and abided by, the aggregate sum mentioned in the promissory note shall become due and payable forthwith or thereafter at the option of mortgagee, its successors, legal representatives, or assigns, as fully and completely as if the aggregate sum were originally stipulated to be paid on such day, anything in the promissory note or in this mortgage to the contrary notwithstanding.

SECTION NINE
NOTICE

The mailing of a written notice or demand addressed to the owner of record of the mortgaged premises or to such owner at the last address actually furnished to mortgagee, or if none, directed to the owner at the mortgaged premises, and mailed by the United States mails, postage prepaid, shall be sufficient notice and demand in any case arising under this instrument and required by the provisions of this mortgage or by law.

SECTION TEN
FORECLOSURE OF SUPERIOR LIEN

If foreclosure proceedings of any mortgage or lien of any kind superior or inferior to this mortgage are instituted, mortgagee under this mortgage may at its option, immediately or thereafter, declare this mortgage and the indebtedness secured by this mortgage due and payable.

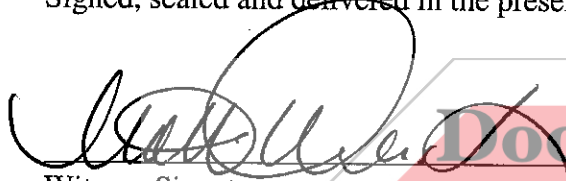


SECTION ELEVEN
DUE ON SALE

Upon the sale or transfer of the property encumbered by this mortgage, the indebtedness secured by this mortgage shall be immediately due and payable.

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IN WITNESS WHEREOF, mortgagor has signed this mortgage the day and year first above written.

Signed, sealed and delivered in the presence of:

 Witness Signature		 HECTOR GARCIA a/k/a HECTOR GARCIA-ROJAS
<u>MATT WEINSTEIN</u> Print Name		
 Witness Signature		
<u>Gillian Rieracker</u> Print Name		

STATE OF FLORIDA)
) ss:
COUNTY OF MIAMI-DADE)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized to administer oaths and take acknowledgments, personally appeared **HECTOR GARCIA a/k/a HECTOR GARCIA-ROJAS**, known to me to be the person described in and who executed the foregoing instrument and who acknowledged before me that he executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 21st of September, 2006.

NOTARY SEAL:


NOTARY SIGNATURE


MATT WEINSTEIN
MY COMMISSION # DD 188741
EXPIRES: March 27, 2007
Bonded Thru Budget Notary Services

MATT WEINSTEIN
PRINT NAME

Personally Known
or
 Produced Identification

Type of Identification Produced: _____

COPY OF PROMISSORY NOTE

PROMISSORY NOTE

\$50,000.00

September 21, 2006

For value received, **HECTOR GARCIA a/k/a HECTOR GARCIA-ROJAS**, of 12055 Pine Needle Lane, Miami, Florida 33156 [hereinafter referred to as "BORROWER"], promise to pay to the order of **PAUL M. KADE** at: Law Offices of Paul M. Kade, Dadeland Towers North, Suite 400, 9200 South Dadeland Blvd., Miami, Florida 33156-2712 [hereinafter referred to as "LENDER"], the sum of **FIFTY THOUSAND AND NO/100 DOLLARS (\$50,000.00)**, with interest at the rate of eighteen percent (18%) per annum from the date hereof.

The above principal sum and any accrued interest due and payable on the 21st day of August, 2007.

The drawers and endorser of this note individually and severally waive presentment for payment, protest, and notice of protest and nonpayment of this note. In the event BORROWER fails to make any payment when due or fails to comply with or perform when due any other term, obligation, covenant or condition contained in this note and the accompanying mortgage or in any other agreement or loan BORROWER had with LENDER, then LENDER can declare the entire principal balance under this note and all accrued interest immediately due and payable. Upon default, BORROWER shall pay lender interest at the rate of **EIGHTEEN PERCENT (18%)** per annum from the date of default in and to the extent that the increased interest does not cause the interest rate to exceed the maximum rate permitted by applicable law. BORROWER shall also pay LENDER's attorney's fees and costs incurred as a result of any default even if litigation is not filed. In the event of any litigation arising out of BORROWER's default, BORROWER shall be liable for LENDER's attorney's fees and costs and this note shall be governed by and construed in accordance with the laws of the State of Florida.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Borrower does not agree or intend to pay, and Lender does not agree or intend to contract for, charge, collect, take, reserve, or receive (collectively referred to herein as "charge or collect") any amount in the nature of interest or in the nature of a fee for this loan, which would in any way or event (including demand, prepayment, or acceleration) cause Lender to charge or collect more for this loan than the maximum Lender would be permitted to charge or collect by federal law or the law of the State of Florida (as applicable). Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker, or endorser shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan, or release any party of guarantor or collateral; and take any other action deemed necessary by Lender without consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than that party with whom the modification is made.



HECTOR GARCIA a/k/a
HECTOR GARCIA-ROJAS

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