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MORTGAGE 2010 0614315

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2010 OCT 21 AM 9:53

MICHELLE R. FAJMAN
RECORDER

CHICAGO TITLE INSURANCE COMPANY

THIS MORTGAGE ("Security Instrument") is executed on October 13, 2010. The mortgagors are ADRIAN VALDEZ and REBECCA VALDEZ, husband and wife ("Borrower"). This Security Instrument is given to SIMON A. BEEMSTERBOER, ("Lender"). *AS TENANTS IN COMMON

Borrower owes Lender the principal sum of Thirty Seven Thousand Five Hundred and 00/100 (\$37,500.00) Dollars which debt is evidenced by Borrower's Installment Note ("Note"), dated the same date as this Security Instrument, which provides for payment of the principal sum of Thirty Seven Thousand Five Hundred and 00/100 (\$37,500.00) Dollars, plus interest from the date hereof as set forth in the Note secured hereby on the balance of principal remaining from time to time unpaid. Such principal sum and interest shall be paid in the manner and method set forth on the Note secured hereby until the entire principal sum, and interest accrued thereon, is paid in full. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Lake County, Indiana:

PIN: 24-30-0427-0010
PARCEL NO. 45-03-22-476-010.000-024

Commonly known as: 3919 Evergreen Street, East Chicago, Indiana 46312

LOT 10 BLOCK 1 IN INLAND SUBDIVISION TO EAST CHICAGO, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 18, PAGE 1, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, AND THE VACATED EAST 4 FEET EVERGREEN STREET LYING WEST AND ADJACENT TO SAID LOT.

together with all improvements now or hereafter 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 hereafter a part of the property. All replacements and additions shall 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 seized of the estate hereby conveyed 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.

AMOUNT \$ 3700
CASH _____ CHARGE CT
CHECK # _____
OVERAGE _____
COPY 102
NON-COM _____
CLERK Rm

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THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations to constitute a security instrument covering real property and, as hereinafter more fully set forth, a security instrument which is cross collateralized with certain chattel property.

UNIFORM COVENANTS - Borrower and Lender 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 Note and any prepayment and late charges due under the Note. Additionally, Borrower shall pay interest after maturity at the rate set forth under the Note.

2. **Funds for Taxes and Insurance.** At the written request of Lender, Borrower shall pay to Lender on the day payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument as a lien on the property; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard or property insurance premiums; (d) yearly flood insurance premiums, if any; and (e) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may estimate the Funds due on the basis of current data and reasonable estimates of future escrow items.

If the Funds held by Lender exceed the amounts permitted to be held by applicable law, Lender shall account to Borrower for the excess Funds in accordance with the requirements of applicable law. If the amount of the Funds held by Lender at any time is not sufficient to pay the Escrow items when due, Lender may so notify Borrower in writing and, in such case, Borrower shall pay to Lender the amount necessary to make up the deficiency. Borrower shall make up the deficiency in no more than twelve monthly payments, at Lender's sole discretion.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under Paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

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3. **Application of Payments.** Unless applicable law provides otherwise, all payments received by lender under Paragraphs 1 and 2 shall be applied: first, to prepayment charges due under the Note; second, to amounts payable under Paragraph 2; third, to late charges due under the Note; fourth, to interest due; and last, to principal due.

4. **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 in the manner provided in Paragraph 2 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 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 in 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 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 the actions set forth above within 10 days of the giving of notice.

5. **Hazard and Other Insurance.** Borrower shall keep the improvements now existing or hereafter 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 (for the full replacement cost) 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 the provisions of Paragraph 7 and the cost thereof shall be added to the principal sum otherwise secured by this Security Instrument.

Borrower shall maintain a comprehensive public liability insurance against claims for personal injury. This insurance shall include, without limitation, bodily injury, death, or property damage occurring on the Property and the adjoining streets and passageways, and the injuries resulted from the business engaged on the Property. Borrower shall purchase such other insurance, in such amounts, as may from time to time be required by Lender.

All insurance policies and renewals shall be reasonably acceptable to Lender and shall include a standard Mortgage clause. All such policies shall be non-cancelable without at least 30 days written notice by the carrier to Lender. Lender shall have the right to hold the policies

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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 thereby lessened. If the restoration or repair is not economically feasible or Lender's security would be thereby 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 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 in its sole discretion 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 (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 payments referred to in Paragraphs 1 and 2 or change the amount of the payments. If under Paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies or 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.

6. Occupancy, Preservation Maintenance and Protection of Property; Borrower's Loan Application; Leaseholds. Borrower shall occupy, establish and use the Property as Borrower's principal residence within sixty (60) days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one (1) year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. 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 in Paragraph 17, 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 material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. Borrower shall not destroy, damage, or substantially change the Property, allow the Property to deteriorate, or commit waste upon or to the Property. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease and,

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if Borrower acquires fee title to the Property, the leasehold and fee title shall not merge unless Lender agrees to the merger in writing.

7. **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 proceeding in bankruptcy, in 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 7, Lender does not have to so do.

Any amounts disbursed by Lender under this Paragraph 7 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, upon notice from Lender to Borrower requesting payment.

If Lender required Mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. **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.

9. **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

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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 restore or repair the Property or to reduce 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 referred to in Paragraphs 1 and 2 or change the amount of such payments.

10. **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.

11. **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 16. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing 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 without that Borrower's consent.

12. **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 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.

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13. **Legislation Affecting Lender's Rights.** If 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 under Paragraph 19.

14. **Governing Law; Severability.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provisions. To this end, the provisions of this Security Instrument and the Note are declared to be severable.

15. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

16. **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 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 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.

17. **Borrower's Right to Reinstate.** If acceleration of the debt occurs hereunder and if Borrower meets certain conditions hereinafter set forth, 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) the 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 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 attorneys' fees, court costs and costs of collection; 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

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remain effective as if no acceleration had occurred. However, the right to reinstate shall not apply in the case of acceleration under Paragraphs 13 or 16.

NON-UNIFORM COVENANTS - Borrower and Lender further covenant and agree as follows:

18. **NOTICES.** All notices hereunder shall be in writing. Notwithstanding anything contained herein to the contrary, all notices hereunder shall be sent by any one of the following:

- A. Certified or Registered Mail, return receipt requested with proper postage prepaid;
- B. Receipted U.S. Post Office or private overnight or express mail;
- C. Receipted hand delivery; or
- D. Facsimile teletransmission with telefax confirmation.

With respect to Certified or Registered Mail (unless proof of delivery is otherwise established), the date of United States Post Office postmark cancellation shall conclusively be presumed to be the date of receipt. The addresses (and "fax" numbers, if used), of the parties hereto are (unless hereafter changed by written notice), those set forth in Exhibit "A", attached hereto and made a part hereof. If a party wishes to advise of a change of address (or "fax" number), said party must do so in writing.

19. **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 Paragraphs 13 and 16 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 the period of time set forth in the Note secured by this Mortgage by which time 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 Agreement, 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 this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided hereunder including, but not limited to, reasonable attorneys' fees, court costs and costs of collection.

20. **Lender in Possession.** Upon acceleration under Paragraph 19 or abandonment of the Property and at any time prior to the expiration of any period of redemption following judicial sale, Lender (in person, by agent, or by judicially appointed receiver) shall be entitled to enter

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upon, 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 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 attorneys' fees and then to the sums secured by this Security Instrument.

21. **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 21, "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 21, "Environmental Law" means federal laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.

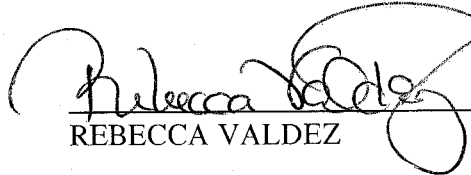
22. **Annual Financial Reporting.** If the Property is used for purposes other than Borrower's residence, Borrower shall furnish to the Holder of the Note secured by this Trust Deed, upon request by the Holder of the Note but no more frequently than once per year, a certified statement of net operating income received from the Property and/or the Borrower's business, income tax returns, or other financial documentation regarding the Borrower's then previous fiscal year in such form and detail as the Holder of the Note shall require. "Net operating income" shall mean all cash receipts from the Property and/or the Borrower's business less all cash expenditures made in connection with the operation of the Property and/or the Borrower's business. The Holder of the Note reserves the right to determine, from reasonable examination of the documentation which is the subject matter of this paragraph, to deem itself insecure, to declare a default of Borrower's undertakings hereunder and to exercise any and all rights and remedies which may result from, or arise with respect to, such default, pursuant to the provisions of paragraph 19. hereof, or otherwise.

23. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

24. **Waiver of Homestead and of Right of Redemption.** Borrower hereby waives all right of homestead exemption in the Property and, further, waives the Borrower's right of redemption otherwise granted under and pursuant to the laws of the State of Indiana.

IN WITNESS WHEREOF, Borrower has executed this security instrument as of the day and year first above written.

 (SEAL)
ADRIAN VALDEZ

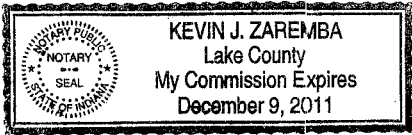
 (SEAL)
REBECCA VALDEZ



STATE OF INDIANA)
) SS
COUNTY OF LAKE)

I, the undersigned, a notary public in and for the said County, in the State aforesaid, do hereby certify that Adrian Valdez and Rebecca Valdez,*personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth. *HUSBAND AND WIFE AS TENANTS IN COMMON

Given under my hand and official seal this 13TH day of OCTOBER, 2010.



[Handwritten Signature]

Notary Public
KEVIN J. ZAREMBA

This instrument was prepared by:

Sheldon L. Lebold
16061 S. 94th Avenue
Orland Hills, IL 60487

Mail to:

Sheldon L. Lebold
16061 S. 94th Avenue
Orland Hills, IL 60487

I affirm, under the penalties for perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. Kevin Zaremba

[Handwritten initials]

EXHIBIT "A"

TO BORROWER:

Adrian Valdez and Rebecca Valdez
3919 Evergreen Street
East Chicago, Indiana 46312

TO LENDER:

Simon Beemsterboer
10730 S. Burley
Chicago, Illinois 60617

ree\mortgage.frm

AV
RV