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MORTGAGE

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

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MICHAEL J. ...  
RECORDER

THIS INDENTURE, made as of this March 28, 2011, among Marcos Carrillo and Elionila Bustamante-Carrillo, husband and wife, herein jointly referred to as "Mortgagor", and Fernando Bustamante, currently residing at 4649 N. Kenmore Avenue, Chicago, Illinois 60640, herein referred to as "Mortgagee"

Above Space for  
Recorder's Use Only

WITNESETH: THAT

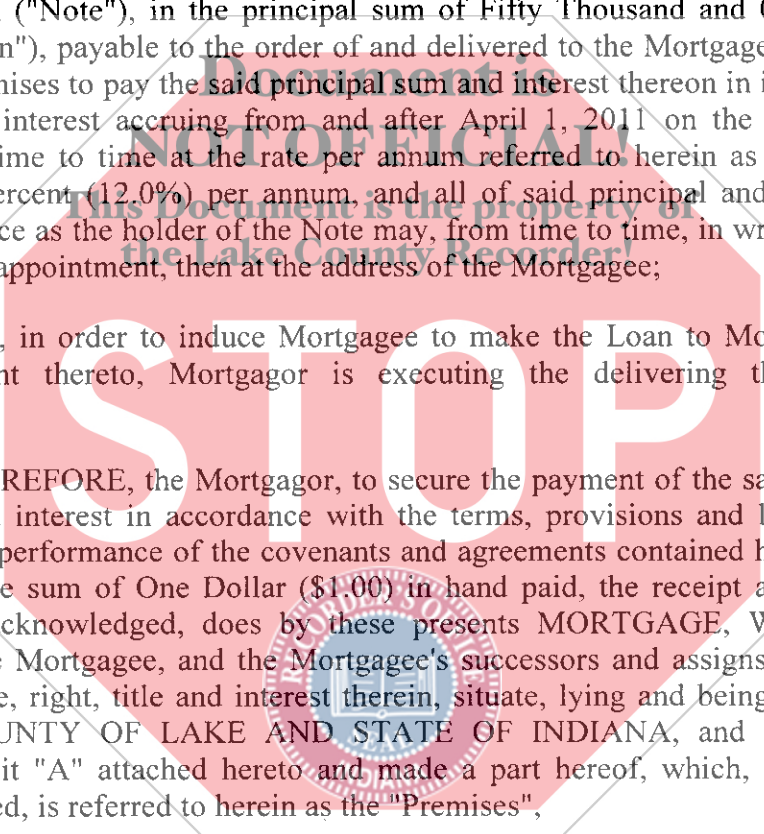
WHEREAS, Mortgagor is justly indebted to the Mortgagee upon a Promissory Note of even date herewith ("Note"), in the principal sum of Fifty Thousand and 00/100ths Dollars (\$50,000.00) ("Loan"), payable to the order of and delivered to the Mortgagee, by which Note the Mortgagor promises to pay the said principal sum and interest thereon in installments as set forth therein with interest accruing from and after April 1, 2011 on the principal balance outstanding from time to time at the rate per annum referred to herein as the "Loan Rate", which is twelve percent (12.0%) per annum, and all of said principal and interest is made payable at such place as the holder of the Note may, from time to time, in writing appoint, and in absence of such appointment, then at the address of the Mortgagee;

WHEREAS, in order to induce Mortgagee to make the Loan to Mortgagor, and as a condition precedent thereto, Mortgagor is executing the delivering this Mortgage to Mortgagee.

NOW, THEREFORE, the Mortgagor, to secure the payment of the said principal sums of money and said interest in accordance with the terms, provisions and limitations of this Mortgage, and the performance of the covenants and agreements contained herein, and also in consideration of the sum of One Dollar (\$1.00) in hand paid, the receipt and sufficiency of which is hereby acknowledged, does by these presents MORTGAGE, WARRANT AND CONVEY unto the Mortgagee, and the Mortgagee's successors and assigns, that certain real estate and all estate, right, title and interest therein, situate, lying and being in the CITY OF HAMMOND, COUNTY OF LAKE AND STATE OF INDIANA, and more particularly described in Exhibit "A" attached hereto and made a part hereof, which, with the property hereinafter described, is referred to herein as the "Premises",

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such time as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration

Chicago Title Insurance Company



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(whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, window shades, storm doors and windows, floor coverings, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said Premises whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the Premises by Mortgagor or its successors or assigns shall be considered as constituting part of the subject real estate.

TO HAVE AND TO HOLD the Premises unto the Mortgagee, and the Mortgagee's successors and assigns, forever, for the purposes, and upon the uses herein set forth.

THE MORTGAGOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

1. Mortgagor shall pay, or cause to be paid, when due all indebtedness, including principal and interest, under the terms of the Note, and any other indebtedness secured hereunder and shall duly and punctually perform and observe, or cause to be performed and observed, all of the terms, provisions, conditions, covenants and agreements on its part and on the Mortgagor's part to be performed or observed as provided herein and in the Note, and this Mortgage shall secure such payment, performance and observance.

2. Mortgagor shall do or cause to be done each of the following: (a) keep said Premises free from mechanic's or other liens or claims for lien (except for this Mortgage); (b) pay when due any indebtedness which may be secured by a lien or charge on the Premises (no such lien or charge being permitted except for this Mortgage); and (c) comply with all requirements of law or municipal ordinances with respect to the Premises and the use thereof

3. Mortgagor shall pay or cause to be paid before any penalty attaches all general taxes, and shall pay or cause to be paid special taxes, special assessments, fees, water charges, sewer service charges, and any penalties and other charges against the Premises when due, and shall, upon written request, furnish or cause to be furnished to the Mortgagee duplicate receipts therefore. To prevent default hereunder, Mortgagor shall pay or cause to be paid in full under protest, in the manner provided by statute, any tax or assessment which Mortgagor may desire to contest.

4. Mortgagor shall keep or cause to be kept all buildings and improvements now or hereafter situated on said Premises insured against loss or damage by fire, lightning, windstorm, and hazards included within the terms "extended coverage" under policies providing for payment by the insurance companies of monies sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies reasonably satisfactory to the Mortgagee, under insurance policies payable, in case of loss or damage, to Mortgagee, to be evidenced by the standard mortgage clause to be attached to each policy (providing that the same shall not be terminated except upon ten (10) days prior written notice to Mortgagee) and shall deliver or cause to be delivered all policies, including additional and renewal policies, to the Mortgagee, and in case of insurance about to expire, shall deliver or cause to be delivered renewal policies not less than ten (10) days prior to the respective dates of expiration.

5. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to approval by Mortgagee; provided that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid by Mortgagor making payment, when due, directly to the insurance carrier and Mortgagor shall furnish to Mortgagee receipts evidencing such payments not later than thirty (30) days after the due date for payment.

6. All insurance policies and renewals thereof shall be in form acceptable to Mortgagee and shall include a standard mortgagee clause in favor of an in form acceptable to Mortgagee. Mortgagee shall have the right to hold the policies and renewals thereof, and Mortgagor shall promptly furnish to Mortgagee all renewal notices and all receipts of paid premiums. In the event of loss, Mortgagor shall give prompt notice to the insurance carrier and Mortgagee. Mortgagee may make proof of loss if not made promptly by Mortgagor.

7. Unless Mortgagee and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Premises damaged; provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Mortgagor. If the Premises is abandoned by Mortgagor, or if Mortgagor fails to respond to Mortgagee within 30 days from the date notice is mailed by Mortgagee to Mortgagor that the insurance carrier offers to settle a claim for insurance benefits, Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagor's option either to restoration or repair of the Premises or to the sum secured by this Mortgage.

8. In case of default thereof by Mortgagor, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, including, without limitation, 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 said Premises or contest any tax assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Mortgagee to protect the Premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the Loan Rate. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to the Mortgagee on account of any default hereunder on the part of the Mortgagor.

9. The Mortgagee making any payment hereby authorized, relating to taxes or assessments may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

10. At the option of the Mortgagee and without notice, demand or presentment to Mortgagor, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything contained in the Note or in this Mortgage to the contrary, become due and payable immediately

(a) if there shall occur a default in payment of any installment or principal or interest under the Note and such default shall continue for a period of seven (7) business days; or (b) if there shall occur a default in the performance of any other covenant or agreement of the Mortgagor herein contained and such default shall continue for a period of thirty (30) business days after the date of receipt of written notice thereof by Mortgagor from Mortgagee (provided, however, that if such default is a nature as to require longer than thirty (30) business days to cure, and Mortgagor has commenced to cure such default within said thirty (30) day period, Mortgagor shall not be considered to be in default); or (c) if there shall exist a default under any of the terms, covenants, conditions or agreements contained in any related obligation or the indebtedness secured thereby, and said default shall not be cured within any applicable grace period.

11. When the indebtedness hereby secured shall become due, whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorneys' fees, appraiser's fees, outlays for documentary evidence, stenographers' charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches, and examinations, title insurance policies, Torrens certificates, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the Premises. All expenditures and expenses of the nature of this paragraph mentioned shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the Loan Rate, when paid or incurred by Mortgagee in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which the Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (b) preparation for the commencement of any suit for the foreclose hereof after accrual of such right to foreclose whether or not actually commenced; or (c) preparations for the defense or any actual or threatened suit or proceeding which might affect the Premises or the security hereof.

12. The proceeds of any foreclosure sale of the Premises shall be distributed and applied in the following order to prior: first, on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in paragraph 8 hereof; second, all other items which under the terms hereof constitute indebtedness secured by prior encumbrances, if any; third, all principal and interest remaining unpaid on the Note; fourth, any surplus to Mortgagor or its assigns, as their rights may appear.

13. Upon or at any time after the filing of a complaint to foreclose this Mortgage the court in which such complaint is filed may appoint a receiver of said Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the Premises or whether the same shall be then occupied as a homestead or not, and the Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits or said Premises during the pendency of such



foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, if any, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his hands in payment in whole or in part of: (a) The indebtedness secured hereby, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; and (b) the deficiency in case of a sale and deficiency.

14. 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 same in any action at law upon the indebtedness hereby secured.

15. The Mortgagee shall have the right to inspect the Premises at all reasonable times during normal business hours and access thereto shall be permitted for that purpose, upon ten (10) days prior written notice.

16. If the payment of the indebtedness secured hereby or any part thereof be extended or varied or if any part of the security be released, all persons now or at any time hereafter liable therefore, or interested in said Premises, shall be held to assent to such extension, variation or release, and the lien and all provisions hereof shall continue in full force, notwithstanding such extension, variation or release.

17. Mortgagee hereby agrees that Mortgagor may not cause, suffer or allow the conveyance, sale, lease, exchange, mortgage, encumbrance (excluding mechanic's liens), or other transfer or disposition of the Premises or any part thereof, without the prior consent of Mortgagee, and any such permitted transfer or other disposition shall constitute a default hereunder.

18. Mortgagee hereby agrees that Mortgagor shall have the right and option, at any time hereafter at Mortgagor's sole and absolute discretion, to substitute other real property as the security subject to this Mortgage, provided, however, that (a) such substituted real property shall be of equal or greater value than the Premises; (b) such new mortgage shall be on the same terms and conditions as this Mortgage; and (c) the priority of said new mortgage shall be equal or superior to the priority of this Mortgage. Contemporaneously with the recordation of the new mortgage securing such substituted security, Mortgagor hereby covenants to execute and deliver to Mortgagee, for recording, a full discharge of the lien created by this Mortgage.

19. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and its successors, grantees and assigns, any subsequent owner or owners of the Premises and all persons claiming under or through Mortgagor. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein and the holder or holders, from time to time, of the Note secured hereby.



EXHIBIT "A"

No: 620110798

LEGAL DESCRIPTION

Lots 24 and 25 in Block 9 in Jackson Terrace Hammond, as per plat thereof, recorded in Plat Book 17 page 22, in the Office of the Recorder of Lake County, Indiana.

