

MORTGAGE

FIRST FEDERAL SAVINGS BANK OF INDIANA
P.O. BOX 11110
MERRILLVILLE, INDIANA 46411

"WE" OR "US" MEANS THE LENDER NAMED ABOVE.

Real Estate Mortgage: For value received, I, RUZENA KINDERNAY, mortgage, grant and convey to you on December 9, 1994 the real estate described below and all rights, easements appurtenances, rents, leases, and existing and future improvements and fixtures that may now or at anytime in the future be part of the property (all called the "property").

Property Address : 448 OXFORD CIRCLE, SCHERERVILLE, IN 46375

Legal Description: LOT 86 IN SPRING HILL 2ND ADDITION PHASE THREE, TO THE TOWN OF SCHERERVILLE, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 47 PAGE 48, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

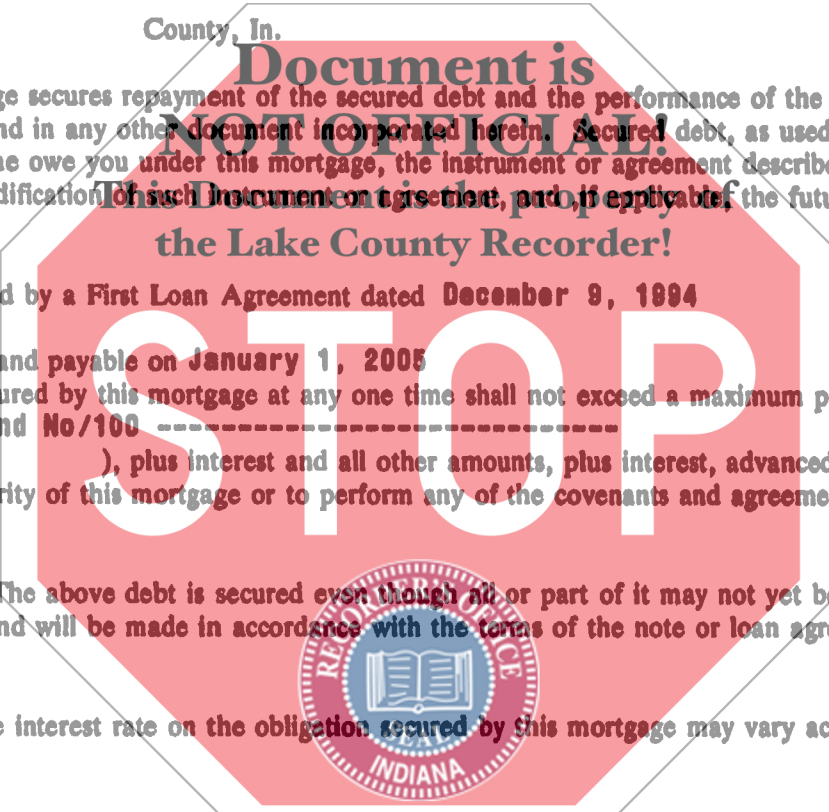
TICOR TITLE INSURANCE
Crown Point, Indiana

95004340

Located in LAKE

County, In.

Secured Debt: This mortgage secures repayment of the secured debt and the performance of the covenants and agreements contained in this mortgage and in any other document incorporated herein. Secured debt, as used in this mortgage, includes any amounts I may at anytime owe you under this mortgage, the instrument or agreement described below, any renewal, refinancing, extension or modification of such instrument or agreement, and, if applicable, the future advances described below.



MARGARET H. EVELAND
LAKE COUNTY RECORDER

95 JAN 11 10:11

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

91108-95-31

The secured debt is evidenced by a First Loan Agreement dated December 9, 1994

The above obligation is due and payable on January 1, 2005

The total unpaid balance secured by this mortgage at any one time shall not exceed a maximum principal amount of Thirty-Six Thousand and No/100

Dollars (\$36,000.00), plus interest and all other amounts, plus interest, advanced under the terms of this mortgage to protect the security of this mortgage or to perform any of the covenants and agreements contained in this mortgage.

Future Advances: The above debt is secured even though all or part of it may not yet be advanced. Future advances are contemplated and will be made in accordance with the terms of the note or loan agreement evidencing the secured debt.

Variable Rate: The interest rate on the obligation secured by this mortgage may vary according to the terms of that obligation.

A copy of the loan agreement containing the terms under which the interest rate may vary is attached to this mortgage and made a part hereof.

Signatures: By signing below, I agree to the terms and covenants contained on the front and back sides of this mortgage, in any instruments evidencing the secured debt and in any riders described above and signed by me. I acknowledge receipt of a copy of this mortgage.

Ruzena Kindernay
RUZENA KINDERNAY

Acknowledgement: State of Indiana Lake County SS:
On this 9th Day of December, 1994, before me, Ruzena Kindernay, personally appeared _____

_____, and acknowledged the execution of the foregoing instrument.

My Commission expires
ROGER W. ZIEGELMAIER
NOTARY PUBLIC
COMMISSION EXP. 08-08-08
LAKE COUNTY, IN

Ruzena Kindernay
Notary Public

Type or print name
Resident of Lake County, Indiana

900
w

Covenants

1. **Payments.** I agree to make all payments on the secured debt when due. Unless we agree otherwise, any payments you receive from me or for my benefit will be applied first to any arrearages on the secured debt exclusive of interest or principal, second, to interest and then to principal. If partial prepayment of the secured debt occurs for any reason, it will not reduce or excuse any subsequently scheduled payment until the secured debt is paid in full.
2. **Claims against Title.** I will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, and other charges relating to the property when due. You may require me to provide to you copies of all notices that such amounts are due and the receipts evidencing my payments. I will defend title to the property against any claims that would impair the lien of this mortgage. You may require me to assign any rights, claims or defenses which I may have against parties who supply labor or materials to improve or maintain the property.
3. **Insurance.** I will keep the property insured under terms acceptable to you at my expense and for your benefit. This insurance will include a standard mortgage clause in your favor. You will be named as loss payee or as the insured on any such insurance policy. Any insurance proceeds may be applied, within your discretion, to either the restoration or repair of the damaged property or to the secured debt. If you require mortgage insurance, I agree to maintain such insurance for as long as you require.
4. **Property.** I will keep the property in good condition and make all repairs reasonably necessary. I will give you prompt notice of any loss or damage to the property.
5. **Expenses.** I agree to pay all your expenses, including reasonable attorneys' fees, if I breach any covenants in this mortgage or in any obligation secured by this mortgage. I will pay these amounts to you as provided in Covenant 10 of this mortgage.
6. **Default and Acceleration.** If I fail to make any payment when due or breach any covenants under this mortgage, any prior mortgage or any obligation secured by this mortgage, you may, at your option, accelerate the maturity of the secured debt and demand immediate payment and exercise any other remedy available to you. You may foreclose this mortgage in the manner provided by law.
7. **Assignment of Rents and Profits.** I assign to you the rents and profits of the property. Unless we have agreed otherwise in writing, I may collect and retain the rents as long as I am not in default. If I default, you may, as provided by law, have the court appoint a receiver and the receiver may take possession and manage the property and collect the rents, income and profits. Any rents you collect shall be applied first to the costs of managing the property, including all taxes, assessments, insurance premiums, repairs, court costs and attorney's fees, commissions to rental agents, and any other necessary related expenses. The remaining amount of rents will then apply to payments on the secured debt as provided in Covenant 1.
8. **Prior Security Interests.** I will make payments when due and perform all other covenants under any mortgage, deed of trust, or other security agreement that has priority over this mortgage. I will not make or permit any modification or extension of any mortgage, deed of trust or other security interest that has priority over this mortgage or any note or agreement secured thereby without your written consent. I will promptly deliver to you any notices I receive from any person whose rights in the property have priority over your rights.
9. **Leaseholds; Condominiums; Planned Unit Developments.** I agree to comply with the provisions of any lease if this mortgage is on a leasehold. If this mortgage is on a unit in a condominium or a planned unit development, I will perform all of my duties under the covenants, by-laws, or regulations of the condominium or planned unit development.
10. **Authority of Mortgagee to Perform for Mortgagor.** If I fail to perform any of my duties under this mortgage, or any other mortgage, deed of trust, lien or other security interest that has priority over this mortgage, you may perform the duties and cause them to be performed. You may sign my name or pay any amount if necessary for performance. If any construction on the property is discontinued or not carried on in a reasonable manner, you may do whatever is necessary to protect your security interest in the property. This may include completing the construction. Your failure to perform will not preclude you from exercising any of your rights under the law or this mortgage.
- Any amounts paid by you to protect your security interest will be secured by this mortgage. Such amounts will be due on demand and will bear interest from the date of the payment until paid in full at the interest rate in effect from time to time on the secured debt.
11. **Inspection.** You may enter the property to inspect if you give me notice beforehand. The notice must state the reasonable cause for your inspection.
12. **Condemnation.** I assign to you the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the property. Such proceeds will be applied as provided in Covenant 1. This assignment is subject to the terms of any prior security agreement.
13. **Waiver.** By exercising any remedy available to you, you do not give up your rights to later use any other remedy. By not exercising any remedy, if I default, you do not waive your right to later consider the event a default if it happens again. I waive all rights of valuation and appraisal.
14. **Joint and Several Liability; Co-signers; Successors and Assigns Bound.** All duties under this mortgage are joint and several. If I sign this mortgage but do not sign the secured debt I do so only to mortgage my interest in the property to secure payment of the secured debt and by doing so, I do not agree to be personally liable on the secured debt. I also agree that you and any party to this mortgage may extend, modify or make any other changes in the terms of this mortgage or the secured debt without my consent. Such a change will not release me from the terms of this mortgage.
- The duties and benefits of this mortgage shall bind and benefit the successors and assigns of either or both of us.
15. **Notice.** Unless otherwise required by law, any notice to me shall be given by delivering it or by mailing it by first class mail addressed to me at the Property Address or any other address that I tell you. I will give any notice to you by certified mail to your address on the front side of this mortgage, or to any other address which you have designated.
- Any notice shall be deemed to have been given to either of us when given in the manner stated above.
16. **Transfer of the Property or a Beneficial Interest in the Mortgagor.** If all or any part of the property or any interest in it is sold or transferred without your prior written consent, you may demand immediate payment of the secured debt. You may also demand immediate payment if the mortgagor is not a natural person and a beneficial interest in the mortgagor is sold or transferred. However, you may not demand payment in the above situations if it is prohibited by federal law as of the date of this mortgage.
17. **Release.** When I have paid the secured debt in full and all underlying agreements have been terminated, you will, at my request, release this mortgage without charge to me. Except when prohibited by law, I agree to pay all costs to record the release.
18. **Severability.** Any provision or clause of this mortgage or any agreement evidencing the secured debt which conflicts with applicable law will not be effective unless that law expressly or impliedly permits variations by agreement. If any provision or clause of this mortgage or any agreement evidencing the secured debt cannot be enforced according to its terms, this fact will not affect the enforceability of the balance of the mortgage and the agreement evidencing the secured debt.