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MARGARETTE CLEVELAND  
RECORDER

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**SUBURBAN FEDERAL SAVINGS, A FEDERAL SAVINGS BANK  
HOME EQUITY LINE OF CREDIT MORTGAGE**

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This Home Equity Line of Credit Mortgage is made this 5<sup>th</sup> day of October 1995 between the Mortgagor, ALFRED T CZERNIAWSKI SHIRLEY A CZERNIAWSKI, MARRIED (herein "Borrower") and the Mortgagee, Suburban Federal Savings, A Federal Savings Bank, a Corporation organized and existing under the laws of the United States of America, whose address is 154th Street at Broadway, Harvey, Illinois, 60426 (herein "Lender").

WHEREAS, Borrower and Lender have entered into a Suburban Federal Savings, a Federal Savings Bank Home Equity Line of Credit Agreement and Truth-In-Lending Disclosure Statement (the "Agreement"), dated 10-05-1995 pursuant to which Borrower may from time to time until 10-04-2000 borrow from Lender sums which shall not in the aggregate exceed (\$ 16,500.00) Sixteen Thousand Five Hundred Dollars and Zero Cents the "Maximum Credit Line" plus interest. Interest on the sums borrowed pursuant to the Agreement is payable at the rate and at the time provided for in the Agreement. After 10-04-2000 ("the Final Maturity Date") all sums outstanding under the Agreement, together with interest thereon, are due and payable.

TO SECURE to the Lender the repayment of the indebtedness incurred pursuant to the Agreement, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of Borrower contained herein and in the Agreement, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of LAKE, State of Indiana:

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Su  
CK# 08277

LOT 121, PINE ISLAND RIDGE UNIT 38, AS SHOWN IN PLAT BOOK 49, PAGE 135, IN LAKE COUNTY, INDIANA.

Permanent Index Number : 20-133085  
which have the address of 5470 W 85TH PLACE CROWN POINT IN 46307-0000  
(herein "Property Address" ).

**TOGETHER** with all the 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 water stock, and all fixtures now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing, together with said property, (or leasehold estate if this Mortgage is on a leasehold) and herein referred to 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 Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any mortgages, declarations, easements or restrictions listed in a schedule of coverage in any title insurance policy insuring Lender's interest in the property.

**COVENANTS.** Borrower and Lender covenant and agree as follows:

**1. Payment of Principal and Interest.** Borrower shall promptly pay when due, without set-off, recoupment or deduction, the Principal Balance (as that term is defined in the Agreement), interest and the Credit Life Insurance Premium incurred pursuant to the Agreement, together with any fees and charges as provided in the Agreement.

**2. Application of Payments.** Unless applicable law provides otherwise, all payments received by Lender under the Agreement and paragraph 1 hereof shall be applied by Lender first to Credit Life Insurance Premiums, if any, then to interest, then to fees, charges and advances payable pursuant to the Agreement, and then to the Principal Balance.

**3. Charges; Liens.** Borrower shall promptly pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, including all payments due under any mortgage disclosed by the title insurance policy insuring Lender's interest in the Property. Borrower shall upon request of Lender, promptly furnish to Lender receipts evidencing such payments. Bor-

Borrower shall promptly discharge any lien which has priority over this mortgage, except for the lien of any Mortgage disclosed by the title insurance policy insuring Lender's interest in the Property; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof. Notwithstanding the above, any tax dispute must be paid in full by Borrower, but Borrower may make such payment under protest in a manner provided by statute.

**4. Hazard 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 such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed the amount of coverage required to pay the sums secured by this Mortgage on the Property.

The Insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in a timely manner.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Upon request of Lender, Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. 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, 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 Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to the Principal Balance shall not extend or postpone the due date of any payments due under the Agreement, or change the amount of such payment. If under paragraph 18 hereof, the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender

to the extent of the sums secured by this Mortgage immediately prior to such sale or acquisition.

**5. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall 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, Borrower shall perform all of Borrower's obligations under the declaration of covenants creating or governing the condominium or planned unit development, the bylaws and regulations of the condominium or planned unit development, and constituent documents. If a condominium or planned unit development rider is executed by Borrower and recorded together with this Mortgage, the covenants and agreements of such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider were a part hereof.

**6. Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, any proceeding brought by or on behalf of a prior mortgagee, eminent domain, insolvency, code enforcement, or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower pursuant to paragraph 13, may make such appearance, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorneys' fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 6, with interest thereon, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on the Principal Balance under the Agreement. Nothing contained in this paragraph 6 shall require Lender to incur any expense or take any action hereunder.

**7. Inspection.** Lender may make or cause to be made reasonable entries upon and inspection of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause related to Lender's interest in the Property.

**8. Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property,

or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. In the event of a total or partial taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to the Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment due under the Agreement or change the amount of such payment.

**9. Borrower Not Released.** Extension of the time for payment or modification of any other term of the Agreement or this Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify any term of the Agreement or this Mortgage by reason of the demand by the original Borrower and Borrower's successors in interest.

**10. Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy under the Agreement or hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's rights to accelerate the maturity of the indebtedness secured by this Mortgage.

**11. Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

**12. Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. The captions and headings of paragraphs of this Mortgage

are for convenience only and are not to be used to interpret or define the provisions hereof.

**13. Notice.** Except for any notice required under applicable law to be given in another manner (a) any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by First Class Mail, addressed to Borrower at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein and (b) any notice to Lender shall be given by First Class Mail to Lender's address or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or to Lender on the earlier of: (1) the date hand delivery is actually made, or (2) the date notice is deposited in the United States mail system by First Class Mail.

**14. Governing Law; Severability.** This Mortgage shall be governed by the law of the State of Indiana. In the event that any provision or clause of this Mortgage or the Agreement conflicts with applicable law, such conflict shall not affect the provisions of this Mortgage or Agreement which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Agreement are declared to be severable.

**15. Borrower's Copy.** Borrower shall be furnished a conformed copy of the Agreement and of this Mortgage at the time of execution or after recordation thereof.

**16. Transfer of Property; Assumption.** If all or part of the Property or an interest therein is sold, transferred or conveyed by Borrower without Lender's prior written consent, excluding (a) the creation of lien or encumbrance subordinate to this mortgage, (b) the creation of a purchase money security interest for household appliances; (c) a transfer by devise, descent or by operation of law upon the death of a joint tenant or tenant by the entirety; (d) the granting of a leasehold interest which has a term of three (3) years or less and which does not contain an option to purchase; (e) a transfer in which the transferee is a person who occupies or will occupy the property which is (i) a transfer to a relative resulting from the death of the Borrower; (ii) a transfer where the spouse or child(ren) becomes an owner of the Property; or (iii) a transfer resulting from a decree of dissolution of marriage, legal separation agreement, or from an incidental property settlement agreement by which the spouse becomes an owner of the property; or (f) a transfer into a inter vivos trust in which the

Borrower is and remains the beneficiary and occupant of the Property, unless as a condition precedent to such transfer, the Borrower refuses to provide the Lender with

reasonable means acceptable to the Lender by which the Lender will be assured of timely notice of any subsequent transfer of the beneficial interest or change in occupancy, Lender may, at Lender's option, declare all the sums secured by this Mortgage to be immediately due and payable.

**17. Revolving Credit Loan.** This Mortgage is given to secure a revolving credit loan and shall secure not only presently existing indebtedness under the Agreement but also future advances, whether such advances are obligatory or to be made at the option of the Lender, or otherwise, as are made within 5 years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage, although there may be no advance made at the time of execution of this Mortgage and although there may be no indebtedness secured hereby outstanding at the time any advance is made. The lien of this Mortgage shall be valid as to all indebtedness secured hereby, including future advances, from the time of its filing for record in the recorder's or registrar's office of the county in which the Property is located. The total amount of indebtedness secured hereby may increase or decrease from time to time, but the total unpaid balance of indebtedness secured hereby (including disbursements which the Lender may make under this Mortgage, the Agreement, or any other document with respect thereto) at any one time outstanding shall not exceed the Maximum Credit Limit, plus interest, Credit Life Insurance Premiums and any disbursements made for payment of taxes, special assessments or insurance on the property and interest on such disbursements (all such indebtedness being hereinafter referred to as the "maximum amount secured hereby"). This Mortgage shall be valid and have priority over all subsequent liens, excepting solely taxes and assessments levied on the Property, to the extent of the maximum amount secured thereby.

**18. Acceleration.** (A) Remedies: Upon an event of default or Borrower's breach of any covenant or agreement of Borrower in this Mortgage or the Agreement, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand, and/or terminate the availability of loans under the Agreement and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorneys' fees and costs of documentary evidence, abstracts and title reports.

(B) Events of Defaults: This agreement shall be in Default if (a) Borrower fails to make any payment due hereunder; (b) Borrower fails to comply with the terms of the Agreement or the Mortgage; (c) any action Borrower takes or fails to take either

during the application process or during the term of this Mortgage constitutes fraud or material misrepresentation; or (d) any action Borrower takes or fails to take adversely affects Lender's security or any of Lender's rights in such security; including but not limited to (i) except as provided in paragraph 16, Borrower's sale, transfer or conveyance of any portion of the Property without Lender's prior consent; (ii) Borrower fails to maintain property insurance on the Property; (iii) death of Borrower causes a transfer of the Property or if the title to the Property should be transferred through eminent domain, foreclosure or otherwise; (iv) if Borrower should commit waste or should abuse or fail to properly maintain the Property; (v) if Borrower should fail to pay taxes on the Property or takes any other action or fails to take any action that results in the filing or existence of a lien senior to Lender's lien or security interest; (vi) if Borrower permits any other lien holder to gain priority over the security interest of this Mortgage except for any prior mortgages that are outstanding when Lender records this Mortgage to secure this Agreement; or (vii) if Borrower fails to make any payment or perform all of Borrower's obligations under any instrument secured by a Mortgage which has priority over the lien created by this Mortgage. Upon Default, the Lender, at its option, may refuse to make additional Loans and declare all amounts Borrower owes to the Lender under the Agreement or this Mortgage to be immediately due and payable. If it becomes necessary to commence legal proceedings to collect any amount due under the Agreement or to enforce this Mortgage, Borrower will be required to pay the Lender's attorneys' fees and court costs.

**19. Assignment of Rents; Appointment of Receivers; Lender in Possession.** As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 18 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph 18 hereof 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 upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the cost 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 Mortgage. Lender and the receiver shall be liable to account only for those rents actually received.



20. Release. Upon payment of all sums secured by this Mortgage and termination of the Agreement, Lender shall release this Mortgage without charge to the Borrower.

21. Waiver of Homestead. Borrower hereby waives all rights of homestead exemption in the Property.

IN WITNESS WHEREOF, Borrower has executed this Mortgage.

X Alfred T Czerniawski (seal)  
ALFRED T. CZERNIAWSKI  
\_\_\_\_\_ (seal)

X Shirley A Czerniawski (seal)  
SHIRLEY A. CZERNIAWSKI  
\_\_\_\_\_ (seal)

State of Indiana

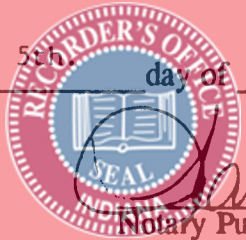
County of Lake

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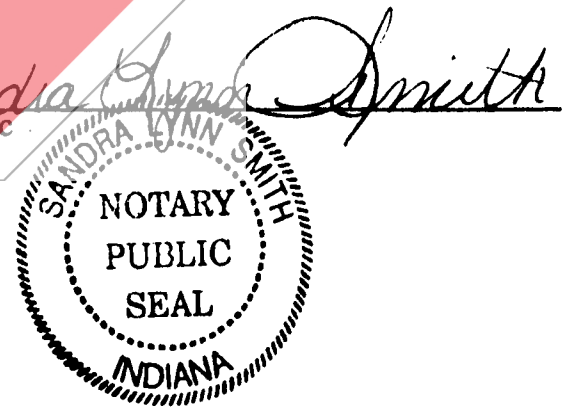
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I, the undersigned, a Notary Public in and for said county and state, do hereby certify that Alfred T. Czerniawski and Shirley A. Czerniawski personally appeared before me and is (are) known or proved to me to be the person(s) who, being informed of the contents of the foregoing instrument, have executed same, and acknowledged said instrument to be their free and voluntary act and deed and that they executed said instrument for the purposes and uses therein set forth.

Witness my hand and official seal this 5th day of October, 1995.



Sandra Lynn Smith  
Notary Public



This instrument was prepared by:

ESTHER D VIRAVEC  
SUBURBAN FEDERAL SAVINGS A FEDERAL SAVINGS BANK  
154TH AT BROADWAY  
HARVEY IL 60426-7076