THIS MORTGAGE ("Security Instrument") is give The Mortgagor is BATEDES HE ZND SBAY OF NOVERBER, THE PROVISIONS OF This Security Instrument is given to PEOPLES BANK SB

November

19 95 ("Borrower").

("Lender")

THE STATE OF INDIANA MUNSTER, IN 46321

which is organized and existing under the laws of

9204 COLUMBIA AVENUE , and whose address is

SIX HUNDRED NINETY THOUSAND DOLLARS AND ZERO CENTS

Borrower owes Lender the principal sum of (U.S. \$690,000.00). This debt is evidenced by Borrower's Note, dated the same date as this Security Instrument ("Note"). If not paid earlier, due and payable on November 08, 1997 . This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications; (b) the payment of all other sums, with interest, advanced to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in

LAKE SEE ATTACHED LEGAL DESCRIPTION RIDER

County, Indiana:

which has the address of

6A SUBDIVISION

ST JOHN

("Property Address")

any part thereof, and all heretofore or hereafter vacated alleys and Together with all buildings and improvements now or he street abutting said premises, and together with 11stalled fogure in the operation of the building or buildings now time, all conditioning, plumbing, sprinkling, communicating and or hereafter on said premises, including but not limited to electrical systems, and the machinery, fixturpo and equipment pertaining thereto, all of which fixtures, equipment shall be diserted to be part of the real estate.

Together with all of the rents, profited Together with all of the rents, profits and leases thereof and the tenements, hereditaments, easements and appurposances. (Any reference herein to the mortgaged "premises" shall be deemed to apply to the above described lands and all buildings futures and equipment, and the rents profits and leases thereof, and said tenements, hereditaments, casements and appurtenances, unless the context shall require otherwise.)

Mortgagor does hereby covenant as follows:

- (1) Mortgagor shall pay the principal and interest of said indebtedness according to the terms of said Note and shall pay all other amounts provided herein
- (2) At the time of execution and delivery of this instrument, Mortgagor is well and truly seized of the premises in fee simple, free of all liens and encumbrances whatsoever and will forever warrant and defend the same against any and all claims whatever, and the lien created hereby is and will be kept a first lien upon said premises and every part thereof. Mortgagor shall pay when due all water charges and all other amounts which might become a lien upon the premises prior to this Mortgage.
- (3) Mortgagor shall pay when due all taxes and assessments that may be levied upon said premises, and shall promptly deliver to Mortgagee receipts showing payment thereof. Mortgagor shall pay when due all taxes and assessments that may be levied upon or on account of this Mortgage or the indebtedness secured hereby or upon the interest of estate in said premises created of represented by this Mortgage, whether levied against Mortgagor or otherwise.
- (4) Mortgagor will abstain from and will not suffer the commission of waste on said premises and will keep the buildings, improvements, fixtures, equipment and appliances now or hereafter thereon in good repair and will make replacements thereto as and when the same become necessary. Mortgagor shall promptly notify Mortgages in writing of the occurrence of any loss or damage to the premises. Mortgagor shall not materially after the building, improvements, fixtures, equipment or appliances now or hereafter upon said oremises, or remove the same therefrom, or permit any tenant or other person to do so, without the written consent of Mortgagor will not permit any portion of the premises to be used for any unlawful purpose. Mortgagor will comply promptly with all laws, ordinances, regulations and orders of all public authorities having jurisdiction thereof relating to the premises of the use, occupancy and maintenance thereof. Mortgagee shall have the right at any time, and from time to time, to enter the premises for the purpose of inspecting the same.
- (5) Mortgagor will keep all buildings, improvements, fixtures, equipment and appliances now or hereafter upon said premises and the rents thereof, insured against loss and damage by fire and the perils covered by extended coverage insurance, and against such other risks (including public liability insurance), and in such amounts, as may from time to time be required by Mortgagee, and with such insurer or insurers as may from time to time be approved by Mortgagee, with the proceeds thereof payable to Mortgagee under a standard mortgage clause. The policies of all such insurance and all renewals thereof, together with receipts evidencing payment in full of the premiums thereon, shall be delivered promptly to Mortgagee. In the event of loss or damage, the proceeds of said insurance shall be paid to Mortgagee alone. Mortgagee is authorized to adjust and compromise such loss without the consent of Mortgagor, to collect, receive and receipt for such proceeds in the name of Mortgagee and Mortgagor, and to endorse Mortgagor's name upon any check in payment thereof. The Power granted hereby shall be deemed to be coupled with an interest and shall be irrevocable. Such proceeds shall be applied toward reimbursement of all costs and expenses of Mortgagee in collecting said proceeds, and toward the payment of all amounts payable by Mortgager to Mortgages hereunder, and toward the payment of the indebtedness secured hereby or any portion thereof, whether or not then due or payable, or Mortgagee, at its option, may apply said insurance proceeds or any part thereof to the repair or rebuilding of said premises. All of said policies of insurance shall be held by Mortgagee as additional security hereunder and, in the event of sale of the premises on foreclosure, the ownership of all policies of insurance and the right to receive the proceeds of any insurance payable by reason of any loss theretofore or thereafter occurring, shall pass to the purchaser at said sale and Mortgagor hereby appoints Mortgagee its attorney-in-fact, in Mortgagor's name, to assign and transfer all such policies and proceeds to such purchaser.
- (6) In the event that any person, firm, or corporation owning or owning an interest in, the premises, is adjudicated a bankrupt, or insolvent, or shall make an assignment of the benefit of creditors, or shall take, or receive, the benefit of any act for reorganization, or if a receiver should be appointed for such owner. Mortgagee may, at its option, declare the principal of the note hereby secured and then outstanding to be due and payable immediately; and upon such declaration, the said principal, so declared to be due and payable, together with the interest accrued thereon, and together with any other sums secured hereby shall become and be due and payable immediately, anything in this Mortgage or in said Note to the contrary notwithstanding.
- (7) If default be made in the payment of any of the aforesaid taxes or assessments or in making repairs or replacement or in procuring and maintaining insurance and paying the premiums therefor, or in keeping or performing any other covenant of Mortgagor herein. Mortgagee may, at its option and without any obligation on its part so to do, pay said taxes and assessments, make such repairs and replacements, effect such insurance, pay such premiums, and perform any other covenant of Mortgagor herein. All amounts expended by Mortgages hereunder shall be secured hereby and shall be due and payable by Mortgagor to Mortgagee forthwith on demand, with interest thereon at the rate at which interest accrues on amounts after the same become due under the Note

ITEM 38253L1 (0404) Page 1 of 2 pages

TICOR TITLE INSURANCE

- (8) Nonpayment of any taxes or assessments levied or assessed upon the premises, and nonpayment of lany insurance premium upon any insurance policy covering the premises, or any part thereof, shall constitute waste, and shall entitle Mortgance to exercise the remedies afforded by the appropriate statutes of the appropriate state as now or hereafter amended, and by any other statute or law now or hereafter in effect.
- (9) In the event that Mortgagee is made a party to any suit or proceedings by reason of the interest of Mortgagee in the premises, Mortgage shall reimburse Mortgagee for all costs and expenses, including attorney fees, incurred by Mortgagee in connection therewith. All amounts incurred by Mortgagee hereunder shall be secured hereby and shall be due and payable by Mortgagor to Mortgagee forthwith on demand, with interest thereon at the rate at which interest accrues on amounts after same become due.
- (10) Should default be made in the payment of the principal or interest of said indebtedness or any part thereof, or in the payment of any other sums provided herein, or in the performance of any covenant or condition provided herein, Mortgages may at any time after such default, and without notice, declare the entire principal balance of the indebtedness secured hereby, together with interest thereon, to be due and payable immediately. Lender may foreclose this mortgage by judicial proceedings and shall be entitled to collect in such proceedings all expenses of foreclosure, including but not limited to reasonable attorney's fees and cost of documentary evidence of title reports.
- (11) In the event of the taking of all or any portion of the premises in any proceedings under the power of eminent domain, the entire award rendered in such proceedings shall be paid to Mortgagee, to be applied toward reimbursement of all costs and expenses of Mortgagee in connection with said proceedings, and toward the payment of all amounts payable by Mortgagor to Mortgagee hereunder, and toward the payment of the indebtedness secured hereby, or any portion thereof, whether or not then due or payable, or Mortgagee, at its option, may apply said award, or any part thereof, to the repair or rebuilding of said
- (12) As additional security for the payment of the indebtedness represented by the Note herein described, interest thereon, insurance premiums, taxes and assessments, at the time and in the manner herein agreed, and for the performance of the covenants and agreements herein contained, the Mongagor does hereby sell, assign, transfer and set over unto the Mortgagee herein all the rents, profits, and income, whether due or to become due under all oral or written leases of the mortgage premises in existence or coming into existence during the period this Mortgage is in effect. This assignment of rents shall run with the land and be good and valid as against the Mortgagor herein, or those claiming by, under or through the Mortgagor, from the date of the recording of this instrument. This assignment shall continue to be operative during the foreclosure or any other proceeding taken to enforce this Mortgage. In the event of a sale on foreclosure which shall result in a deficiency, this assignment shall stand as security during the redemption period for the payment of such deficiency.

In the event of default in any of the terms, condition or covenants of this Mortgage, the Mortgagor shall, upon demand therefor made by the Mortgages, deliver and surrender possession of the mortgaged premises to the Mortgagee, who shall thereafter collect the rents, and income therefrom, rent or lease said premises or portion thereof upon such terms and for such time as it may deem best, terminate any tenancy and maintain proceedings to recover rents or possession of the premises from any tenant of trespasser, and apply the net proceeds of such real and income to the following purposes:

(a) Preservation of the premises:

(b) Payment of the Pa

(d) Paymont of installments of interest and printipal due under the terms of this Monsage.

In the event that the Mortgagor fails, refuses or neglects to deliver or surrender such possession, the Mortgagee shall be entitled to the appointment of a receiver of the property hereby mortgaged and of the carning, income, fadder and profits, with such power as the cours making such appointment may confer. In the event that the Mortgagor fails, re

- (13) The funds secured hereby are to be advanced for use in the construction of certain improvements on said premises pursuant to a construction loan agreement between the Mortgagor and Mortgages of even date, which construction loan agreement is incorporated herein by reference to the same effect as if fully set forth and made a part of this Mortgage. Any default under the terms and condition of said construction loan agreement shall also constitute a default of this Mortgage.
- (14) In the event that Mortgagor shall at any time sell, convey or transfer either directly or indirectly the Mortgaged premises or any portion thereof, or any interest therein, or cease to be the holder of the entire record title to and beneficial interest in the mortgaged premises or any part thereof, whether by sale or any other means whatsoever, without the prior written consent of Mortgagee, the entire indebtedness secured hereby may, at the option of Mortgagee, be declared immediately due and payable without notice. No transfer of the premises by Mortgagor with the prior written consent of Mortgagoe, and no extension of time of payment or other indulgence after such transfer shall operate to release or discharge Mortgagor, it being agreed that the liability of Mortgagor shall continue as principal until all of the indebtedness secured hereby is paid in full, netwithstanding any transfer of raid premises, extension of time or other indulgence to the then owner, or other act which might constitute a discharge of a surgey.
- (15) Mortgagor will not, without the prior written consen of Mortgagor, mortgagor or pledge as security for any other loans obtained by Mortgagor, the premises and improvements thereon, fixtures or personal property used in the operation of the improvements on the premises. If any such mortgage or pledge in entered into without the prior written consent of the Mortgages, the coults inablectness secured hereby, may, at the option of Mortgages, be declared immediately due and payable without notice.
- (16) All notices, demands and requests required or permitted to be given to Mortgagor hereunder or by law shall be deemed delivered when deposited in the United States mail, with full postage prepaid thereon, addressed to Mortgagor at the last address of Mortgagor on the records of Mortgages.
- (17) Each and every of the rights, remedies and benefits provided to Mortgagee herein shall be cumulative and shall not be exclusive of any other of said rights, remedies or benefits, or of any other rights, remedies or benefits allowed by law. Any waiver by Mortgages of any default shall not constitute a waiver of any similar or other default.
- (18) All of the covenants and conditions hereof shall run with the land and shall be binding upon the successors and assign of Mortgagor, and shall inure to the benefit of the successors and assign of Mortgagee. Any reference herein to "Mortgagee" shall include the successors and assign of Mortgagee.
 - (19) Borrower hereby waives all right of valuation and appraisement.

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SIGNATURE		SIGNATURE	
SIGNATURE		SIGNATURE	
STATE OF INDIANA)			
COUNTY OF LAKE			
Before me, the undersigned, a NOVEMBER	Notary Public in and for said County , 19 95 came		day of the annexed instrument.
Witness My Hand and Official	Seal	and acknowledged to	ie execution of the annexed instrument.
My Commission Expires:		Notary Public	
RESIDENT OF COUNTY		공화 물론 기계 내려가 되었다. 나는 내가 나가 없는데	

This instrument prepared by DANIEL W MOSER, VICE PRESIDENT FOR HOUSING FINANCE

EXHIBIT "A"

PARCEL I: A PARCEL OF LAND LYING IN PART OF SECTION 25, TOWNSHIP 35 NORTH, RANGE 10 WEST AND SECTION 30, TOWNSHIP 35 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN, ALL IN THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 30 (ALSO BEING THE SOUTHEAST CORNER OF SAID SECTION 25), SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 37 MINUTES 21 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 25, A DISTANCE OF 329.85 FEET; THENCE NORTH 69 DEGREES 44 MINUTES 16 SECONDS EAST, ALONG THE WEST LINE OF THE EAST 10 ACRES OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 25, A DISTANCE OF 1319.94 FEET; THENCE SOUTH 89 DEGREES 35 MINUTES 44 SECONDS EAST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 25, A DISTANCE OF 329.77 FEET; THENCE NORTH 60 DEGREES 64 MINUTES 63 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 30, A DISTANCE OF 1319.79 FEET; THENCE SOUTH 60 DEGREES 35 MINUTES 15 SECONDS EAST, ALONG THE NORTH LINE OF THE SOUTH 60 DEGREES 10 MINUTES 35 SECONDS EAST, ALONG THE NORTH LINE OF THE SOUTH 60 DEGREES 10 MINUTES 35 SECONDS EAST, ALONG THE NORTH LINE OF THE SOUTH 60 DEGREES 10 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF THE SOUTH 88 DEGREES 52 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF THE SOUTH 88 DEGREES 10 MINUTES 59 SECONDS EAST, ALONG THE EAST LINE OF THE SOUTH 60 DEGREES 10 MINUTES 59 SECONDS EAST, ALONG THE EAST LINE OF THE SOUTH 65 DEGREES 10 MINUTES 59 SECONDS EAST, ALONG THE EAST LINE OF THE SOUTH 65 DEGREES 52 MINUTES 55 SECONDS WEST, A DISTANCE OF 160.00 DEGREES 10 MINUTES 55 SECONDS WEST, ALONG THE EAST LINE OF THE SOUTH 65 DEGREES 55 MINUTES 57 SECONDS WEST A DISTANCE OF 160.00 DEGREES 10 MINUTES 30 SECONDS WEST, A DISTANCE OF 160.00 DEGREES 10 MINUTES 30 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 30 (A DISTANCE OF 160.00 DEGREES 55 MINUTES 57 SECONDS WEST A DISTANCE OF 160.00 DEGREES 10 MINUTES 30 SECONDS WEST, A DISTANCE OF 160.00 DEGREES 10 MINUTES 30 SECONDS WEST, ALONG THE WEST LINE OF SAID SECTION 30 (EAST LINE OF SAID SECONDS WEST, A DISTANCE OF 100.00 DEGREES 10 MINUTES 10 SEC

PARCEL II: A PARCEL OF LAND LYNG IN THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP AS NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN AND BEING MORN FARTICULARITY DESCRIBED AS FOLLOWS RECEIVING AT THE SOUTHWEST CORNER OF SAID SECTION 30; THENCE NORTH 00 DEGREES 94 MINUTES 03 SECONDS EAST, ALONG THE WEST LINE OF SAID SECTION 30 A DISTANCE OF 508.54 FEET; THENCE SOUTH 88 DEGREES 52 MINUTES 03 SECONDS EASY, A DISTANCE OF 1626.65 FEET MORE OR LESS TO A POINT ON THE EAST LINE OF THE WEST 14 ACRES OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30; THENCE SOUTH 00 DEGREES 10 MINUTES 59 SECONDS EAST, ALONG THE AFORESAID EAST LINE, A DISTANCE OF 508.59 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 30; THENCE NORTH 88 DEGREES 52 MINUTES 33 SECONDS WEST, ALONG THE SOUTH LINE OF SAID SECTION 30, A DISTANCE OF 1628.87 FEET MORE OR LESS TO THE POINT OF BEGINNING, CONTAINING 19.00 ACRES MORE OR LESS, ALL IN THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA. EXCEPT THAT PART THEREOF LYING SOUTH OF THE CENTER LINE OF COUNTY HIGHWAY. ALSO EXCEPT THAT PART WHICH HAS BEEN PLATTED AS EDGEWOOD UNIT THREE, RECORDED IN PLAT BOOK 74 PAGE 77.



* 1500 by 1876

Attachment to mortgage to' Peoples Bank SB for \$ 690,000.00 10183 to Land Trust# . This mortgage is executed by Peoples Bank SB, f/k/a Peoples Bank, A Federal Savings Bank not personally but as Trustee as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee, and it is expressly understood and agreed by the mortgage herein and by every person now or hereafter claiming any right or security hereunder that nothing contained herein or in the note secured by this mortgage shall be construed as creating any liability on Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank or on any of the beneficiaries under said trust agreement personally to pay said note or any interest that may accrue thereon, or any indebtedness accruing hereunder or to perform any covenants either express or implied herein contained, all such liability, if any, being expressly waived. and that any recovery on this mortgage and the note secured hereby shall be solely against and out of the property hereby conveyed by enforcement of the provisions hereof and of said note, but his waiver shall in no way affect the personal liability of any co-signer. endorser or guarantor of said note. Nothing contained herein will be construed as creating any liability on said Trustee, personally under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act, (CERCLA) or the Indiana Responsible Property Transfer Law ("RPTL") as amended from time to time or any other federal, state or local law, rule or regulation. Said Trustee, personally is not a "Transferor" or "Transferee" under RPTL and makes no representations concerning any possible environmental defects. In making any warranty herein the Trustee is relying solely on information furnished to it by the beneficiaries and not of its own knowledge and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warfan lyhn this instrumeetnt is the property of the Lake County RESBANK SB f/k/a Peoples Bank, Federal Savings Bank not personally, but as Trustee under provisions of a Trust Agreement dated November 2 and known as Trust No. resident and Trust Officer ATTEST: Linda L. Kollada Assistant Secretary State of Indiana) SS: County of Lake)

Joyce M. Barr, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY, that Frank J. Bochnowski and Linda L. Kollada, of PEOPLES BANK SB, an Indiana Corporation, f/k/a Peoples Bank, A Federal Savings Bank personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Vice-President and Trust Officer and Assistant Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of the said Indiana Corporation, as Trustee, for the uses and purposes therein set forth.

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