

MORTGAGE

THIS INDENTURE made this 27th day of November, 1996,
WITNESSETH: That INGEBORG HOFNER, ("Mortgagor"), MORTGAGES AND WARRANTS
to: ANNA J. SCEPKOWSKI, ("Mortgagee"), the following described real
estate situated in the Town of Whiting, County of Lake, State of
Indiana, to-wit:

The North 69 feet of the West 168 feet of Out
Lot A, John A. Tokarz Lakeview Addition to
Hammond, as shown in Plat Book 19, Page 27, in
Lake County, Indiana

together with all building, improvements, appurtenances,
privileges, rights and fixtures therein, thereon or thereto
belonging (hereinafter called the "Real Estate") and the rents and
profits of the Real Estate, which said rents and profits are not
and hereby assigned to Mortgagee as of the date of any default in
the performance of Mortgagor's herein obligations.

IN CONSIDERATION FOR AND TO SECURE THE PAYMENT OF THE PRINCIPAL SUM OF TEN THOUSAND
No/100 DOLLARS (\$10,000.00), evidenced by that certain Mortgage Note of even
date herein within in the Lake County Recorder's Office, payable with interest
and in such manner as set forth therein, and all future advances
and additional amounts, all of said principal and interest payments
being payable in legal tender of the United States of America, at
such place in the United States of America as the legal holder
thereof may from time to time direct, and all principal and
interest payments being with attorneys' fees and without relief
from valuation and appraisement laws of Indiana, and bearing
interest after maturity until paid at the highest rate for which it
is now lawful to contract in Indiana;

AND LIKEWISE IN CONSIDERATION FOR AND TO SECURE THE PERFORMANCE by Mortgagor
of all Mortgagor's covenants, agreements, promises, payments and
conditions hereinbefore or hereinafter set out, those set out in
that certain Mortgage Note dated November 27, 1996,
together with said Mortgage Note and this Mortgage are hereinafter
collectively called the "Loan Documents"), Mortgagor covenants with
Mortgagee and warrants and represents as follows:

1. Title To and Condition and Use of Real Estate. That Mortgagor owns the Real
Estate in fee simple; that this instrument is a valid and
subsisting first mortgage and lien thereon; to deliver
contemporaneously herewith to Mortgagee a satisfactory title
insurance policy to be held by Mortgagee until this Mortgage is
fully satisfied; that upon default by Mortgagor in any of its
obligations hereunder, or under the Loan Documents, to procure at
its own expense a continuation of said title insurance policy to
the date of default, by by a title insurance company designated by
Mortgagee, and deliver same to Mortgagee; upon any foreclosure
hereof, Mortgagor to procure and furnish a like continuation of
title insurance policy to and including the expiration of the time

Chicago Title Insurance Company

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STATE OF INDIANA
LAKE COUNTY
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for redemption, if any, of the Realty from the sale had under such foreclosure; to execute and deliver all further instruments necessary or deemed so by Mortgagee to effectuate the first mortgage security hereby intended to be given; to pay all indebtedness hereby secured as the same becomes due; to perform all covenants, agrees and obligations under the loan documents; to keep the Real Estate in good repair and not to suffer or permit waste thereon; to pay all taxes, impositions and assessments levied against the Real Estate and premises and to make all such payments when due, and to file receipts therefore with Mortgagee within ten (10) calendar days thereafter; to suffer or permit no liens of mechanics or materialmen to attach to the Real Estate; to pay, when the same become due, all encumbrances and liens upon the Real Estate; to permit nothing unlawful to be done upon the Real Estate or any thing that might impair the value of the security intended to be effected by this instrument; to comply with all laws, ordinances and rulings of the governmental agency in which the Real Estate is located relating to the Real Estate; to keep the premises herein described constantly insured for their full insurable value against the loss or damage by fire, lightning, tornado, windstorm, cyclone and plate glass, damage and otherwise in such manner as deemed necessary by the Mortgagee under the Loan Documents, to likewise procure any and all County Recorder insurance, all such forms of insurance to be in such insurance companies as Mortgagee may approve, with a mortgage clause in said insurance policies in favor of Mortgagee for the full amount of all indebtedness now due or hereinafter due hereunder, and immediately to deliver such policies to Mortgagee, performed and not less than thirty (30) days before the expiration of any of such policies, renewals thereof shall be procured and forwarded to Mortgagee, and in the event of any such sums becoming due under any of the said policies the same may be collected by Mortgagee and at its option applied either upon principal or interest due or to become due after this Mortgage and the obligations secured hereby or may be released to the Mortgagor upon his having repaired and replaced all damages covered by such insurance and in the event any sums are so released to the Mortgagor no part thereof shall be treated as a a payment upon any obligations secured by this mortgage; that all obligations of the Mortgagor hereunder and under the Loan Documents, shall continue in full force and effect until all of the herein described obligations are fully performed and paid; that the Mortgagee may be at any time, by written agreement therefore with Mortgagor and without notice to any persona, extend the time for the performance of Mortgagor's obligations hereunder of any part hereof, w without thereby impairing, effecting, postponing or subordinating the lien of this Mortgage or releasing any person from liability hereunder that upon suit being brought to foreclose any lien upon the hereinbefore described premises, this Mortgage may be foreclosed for the entire principal sum, interest, expenses, obligations and attorneys' fees hereby secured.

2. Foreclosure Rights and Default. That in the event of foreclosure of this Mortgage a reasonable sum shall be allowed for the attorneys' fees of Mortgagee, and also reasonable charges for all outlays incident to such foreclosure shall be allowed, and all such attorneys' fees and incidental charges shall be and become so much additional indebtedness hereby secured; that in the event of failure of the Mortgagor to keep, perform and pay each and every one of its covenants, agreements, payments and obligations hereinabove specified, and as set forth in the Loan Documents, the Mortgagee may, but is not required to do so, perform and keep said obligations, and any such money advanced by Mortgagee therefore, shall forthwith be due and payable by Mortgagor to Mortgagee, without demand therefore, without relief from valuation and appraisal laws; and with attorneys' fees, and any amount so advanced, shall be and become so much additional indebtedness secured hereby, and in the making of such payment or advance for Mortgagor, it shall not be obligatory upon Mortgagee to inquire into the validity or propriety of any obligation so paid by Mortgagee; that upon any default in payment or performance of the covenants, agreements, payments and obligations of Mortgagor as hereinbefore set out, or as set out in the Loan Document, then the whole amount of the principal ~~and interest~~ ^{hereby secured, together with} all interest to date and all sums that may have been at the option of the Mortgagee and without notice, become immediately due and payable, and upon any such default the Mortgagee shall have the right immediately to foreclose this Mortgage. The omission of the Mortgagee to exercise said option upon any default as aforeinsaid, shall not preclude its exercise thereof upon any subsequent default. That the making of any payment by Mortgagee hereunder or under the Loan Documents for any of the purposes permitted, shall in no event construed as a waiver of the right to avail of any breach of covenant committed, but foreclosure of this Mortgage may, at the option of the Mortgagee be had for said default as if no such payment or advancement had been made; that Mortgagor will at all times indemnify and forthwith, on demand, reimburse Mortgagee from and for any loss, damage, expense or costs, including attorneys' fees, arising out of or incurred in connection with any suit or proceeding to which Mortgagee may be made a party by reason of this instrument, and in default of such reimbursement, the amount of such loss, damage, expense or costs, together with interest thereon at the highest rate for which it is now lawful to contract in Indiana, shall immediately become so much additional indebtedness secured by this Mortgage and payable immediately; that all rights and remedies hereby secured to Mortgagee are cumulative and not in any way in derogation of the rights of Mortgagee under the law of Indiana; that the covenants, agreements and promises of the Mortgagor herein shall run with the land as a condition upon which the loan hereby secured was made, are of the essence of this instrument and any breach thereof shall be deemed a material breach going into the substance of hereof, and Mortgagor expressly waives its right to relief at law or equity from any forfeiture herein provided.

3. Appointment of Receiver. In any foreclosure proceedings the Mortgagee may request the appointment of a receiver for the benefit of Mortgagee, and for said receiver to have all powers usually incident to receivers appointed during the pendency of mortgage foreclosures and during the period for redemption, if any, from judicial sale.

4. Inspection. Mortgagee may make or cause to be made reasonable entries upon and inspections of the Real Estate provided that Mortgagee shall have Mortgagor reasonable notice prior to any such inspection.

5. Release of Mortgage. That whenever the Mortgagor shall have fully paid the indebtedness hereby secured, with all the interest thereon, and up to that time, shall have well and truly performed all and singular the covenants and agreements herein and in the Loan Documents undertaken to be performed, than all of such covenants and agreements shall cease and determine (but not otherwise), and the Mortgagor shall be entitled to a satisfaction and release of this Mortgage, but shall pay the expense of recording same.

This Document is the property of

6. Miscellaneous. That the words Mortgagor or mortgagee when used herein shall be taken to include singular and plural number, and masculine, feminine or neuter gender, as may fit the parties hereto; the forms of I, He, She and It, in any case or number and their compound forms with Self or Selves, shall, when used herein and in the Loan Documents or in the obligations secured hereby, if the context requires, be construed to be synonymous with each other, and that the forms of the verb "To be" in any tense or number shall, when the context requires, be construed a synonymous with each other.

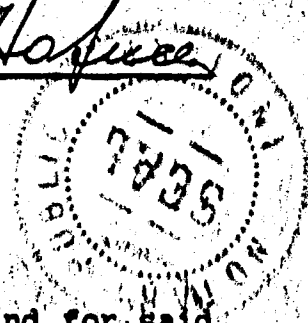
7. Construction and Applicable Law. That this Mortgage, the Mortgage Note secured hereby and the Loan Documents are made and executed under, and are, in all respects, to be construed by the laws of the State of Indiana, and that the various rights, powers, options, elections, appointments and remedies herein and therein contained shall be construed as cumulative, and no one of them as exclusive of any other or of any right or remedy allowed by law, and all shall insure to the benefit of the successors and assigns of the Mortgagee and of all holders of said mortgage Note.

8. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Mortgagor provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Mortgagor at the Real Estate address or at such other address as Mortgagor may designate by notice to Mortgagee as provided herein; and (b) any notice to Mortgagee shall be given by certified mail, return receipt requested, to Mortgagee's address stated herein or two such other address as Mortgagee may designate by notice to Mortgagor as provided herein. Any notice provided for in this Mortgage shall be deemed to have

been given to Mortgagor or Mortgagee when given in the manner designated herein.

IN WITNESS WHEREOF, the Mortgagor has hereunto set its hand and seal on the date first above written.

Ingeborg Hofner
INGEBORG HOFNER



STATE OF INDIANA)
) SS
COUNTY OF LAKE)

Before me, the undersigned a notary public in and for said County and State, personally appeared INGBORG HOFNER and acknowledged the execution of the foregoing instrument as their free and voluntary act and deed for the uses and purposes therein set forth.

This Document is the property of the Lake County Recorder!

Richard S. Tebik
Notary Public RICHARD S. TEBIK

County of Residence: LAKE

Dated: 11-27-96

My Commission expires: 7/5/97

PREPARED BY: RICHARD S. TEBIK

