

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

4497531 8027100 MORTGAGE APR 17 AM 10:57

THIS MORTGAGE ("Security Instrument") is made this 13th day of April, 1998, between John Rosmanitz Builders, LLC ("Mortgagor") and CITIZENS FINANCIAL SERVICES, FSB, a Corporation organized and existing under the laws of the United States of America, whose address is 707 Ridge Road, Munster, IN 46321 ("Mortgagee").

*an Indiana Limited Liability Company

Mortgagor is indebted to Mortgagee in the principal sum not to exceed Two Hundred Fifty Two Thousand Dollars and 00/100 (\$252,000.00), which indebtedness is evidenced by Mortgagor's Note dated April 13, 1998 ("Note"), providing for monthly installments of interest, with the balance of the indebtedness, if not sooner paid, due and payable on April 1, 1999.

This Security Instrument secures to Lender: (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, and all renewals, extensions and modifications thereof; (b) the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Security Instrument; and (c) the performance of the covenants and agreements of Mortgagor herein contained.

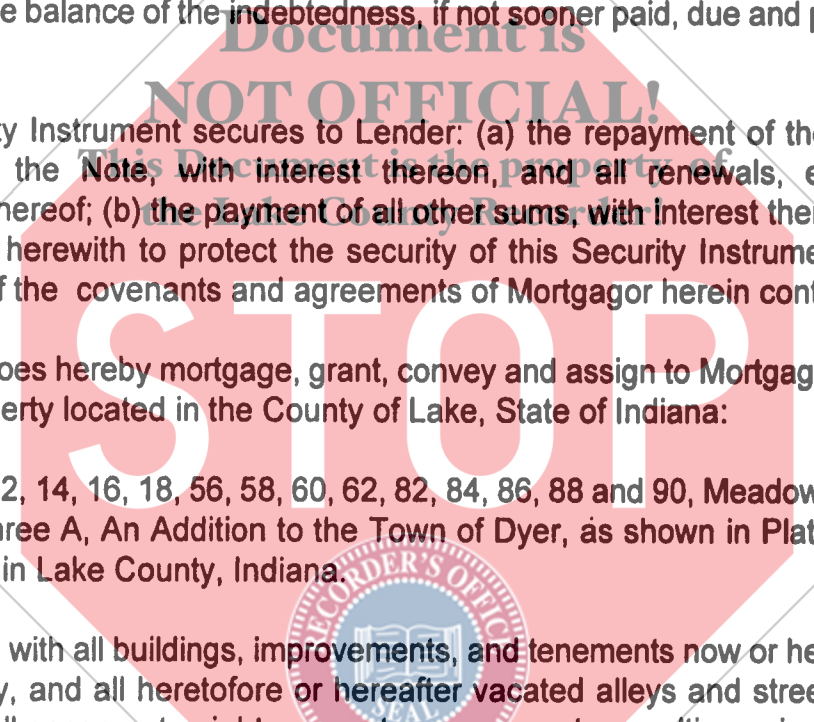
Mortgagor does hereby mortgage, grant, convey and assign to Mortgagee the following described property located in the County of Lake, State of Indiana:

Lots 10, 12, 14, 16, 18, 56, 58, 60, 62, 82, 84, 86, 88 and 90, Meadows of Dyer, Phase Three A, An Addition to the Town of Dyer, as shown in Plat Book 83, Page 84, in Lake County, Indiana.

TOGETHER with all buildings, improvements, and tenements now or hereafter erected on the property, and all heretofore or hereafter vacated alleys and streets abutting the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock appurtenant to the property. Mortgagor covenants that Mortgagor is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the property, that the property is unencumbered, and that Mortgagor will warrant and defend generally the title to the property against claims and demands, subject to any easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagee's interest in the property.

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CITIZENS FINANCIAL SERVICES CORPORATION



The Mortgagor does hereby further covenant and agree as follows:

1. The Mortgagor will keep all improvements now on said premises; or hereafter erected thereon in a good state of repair and will not permit any waste thereon and will neither do nor permit to be done upon said premises anything that might tend to diminish the value thereof.

2. That Mortgagor will pay, before the same become delinquent, all taxes, charges and assessments of every kind that may be levied on said premises or any part thereof.

3. That in case the Mortgagor fails to pay any tax, or assessments, or fails to keep the buildings on said premises in good repair and insured as provided hereby, the Mortgagee may pay such taxes, or assessments, or may redeem said premises from sale for taxes or assessments, make repairs or procure insurance, and may pay, remove or discharge any claim, lien or encumbrance, or may purchase any tax title or claim against said premises, and protect the title and possession thereof, in order to preserve the priority of the lien of this mortgage thereon, and may employ attorneys at law to perform any service connected with the mortgage, or to prosecute or defend any suit affecting or involving this mortgage or the title or possession of said premises, and that all moneys paid for any such purpose and all moneys paid out by the Mortgagee to protect the lien of this mortgage and the security intended to be effected hereby, shall be immediately due and payable with interest thereon and become so much additional indebtedness, secured by this mortgage, provided, however, that it shall not be obligatory upon the Mortgagee to advance funds for any of the purposes aforesaid, or to inquire into the validity of such taxes or assessments, or tax sale (the receipts of the proper officers being conclusive evidence of the validity) and amount thereof or into the necessity of such repairs.

4. That if default be made in the performance of any of the covenants or agreements herein or in said note contained, on the part of the Mortgagor to be kept and performed, then the whole of said indebtedness secured hereby, including all payments for liens, taxes, assessments, insurance, attorneys' fees, costs, charges or expenses, shall at the election of the Mortgagee, and without notice of such election, at once become and be due and payable at the place of payment aforesaid, anything in said note or herein to the contrary notwithstanding and thereupon the Mortgagee shall have the right (either with or without possess), to hold and enjoy said property, and to lease the same or any part thereof upon such terms as it shall deem best, and to collect and receive all the rents issues and profits thereof, and to make alterations, improvements and repairs, effect insurance, pay taxes, assessments and do all such other things as may be deemed necessary for the proper protection of the property; and the Mortgagee shall have the right to foreclose this Security Instrument and shall have all the other rights and remedies that the law provides; all without relief from Valuation and Appraisement Laws.

5. The Mortgagor shall keep the improvements now existing of hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Mortgagee's approval which shall not be unreasonably withheld. If Mortgagor fails to maintain coverage described above, Mortgagee may, at Mortgagee's option, obtain coverage to protect Mortgagee's rights in the Property in accordance with paragraph 3.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Mortgagee shall have the right to hold the policies and renewals. If Mortgagee requires, Mortgagor shall promptly give to Mortgagee all receipts of paid premiums and renewal notices. 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.

Unless Mortgagee and Mortgagor otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Mortgagee's security is not lessened. If the restoration or repair is not economically feasible or Mortgagee's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Mortgagor. If Mortgagor abandons the Property, or does not answer within 30 days a notice from Mortgagee that the insurance carrier has offered to settle a claim, then Mortgagee may collect the insurance proceeds. Mortgagee may use the proceeds to repair or restore the property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

Unless Mortgagee and Mortgagor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments, or change the amount of the payments. If the Property is acquired by Mortgagee, Mortgagor's right to any insurance policies and proceeds resulting from the damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument immediately prior to the acquisition.

6. That upon commencement of any foreclosure, or at any time thereafter, and prior to the expiration of the time for redemption from any sale of said premises on foreclosure, any court of contempt jurisdiction, upon application of the Mortgagee, may appoint a receiver for said premises to take possession thereof, to collect the rents, issues and profits therefrom during the pendency of such foreclosure, and until the time to redeem the same from foreclosure sale shall have expired, and out of rents, issues and profits, to make necessary repairs and to keep the said premises in proper condition and repair, and to pay all taxes, or assessments, to redeem from tax or assessments sales, to pay insurance premiums necessary to keep said premises insured in accordance with the provisions of this Security Instrument and to pay the expense of the receivership, and said receiver shall apply the net proceeds to the payment of the indebtedness secured hereby, and such

receiver shall have all the other usual powers of receivers in such cases.

7. That in case suit be brought to foreclose this mortgage a reasonable sum shall be allowed to the Mortgagee in such proceeding for attorney's fees, title or other expense incident to such foreclosure proceeding, which several sums shall be so much additional indebtedness secured hereby, and shall be recoverable as such whether the suit proceeds to decree or not and shall be included in the decree entered in such foreclosure.

8. That the Mortgagee, at its option, may extend the maturity of the note and indebtedness secured hereby, or any balance due thereon, from time to time, upon written agreement executed by the Mortgagor, for such further periods, at such rate of interest, and upon such conditions as may then be agreed upon, and no such extension, and no forbearance or delay of the Mortgagee in enforcing any of the provisions of this indenture, shall operate to impair the lien thereof or waive any rights accrued or that might accrue hereunder.

9. That in the event the mortgaged property or any part thereof, be taken by condemnation, the Mortgagee is hereby empowered to collect and receive all compensation which may be paid for damages to any property not taken, and all condemnation money so received shall at Mortgagee's election, be applied either to the reduction of the indebtedness hereby secured, or to the repair and restoration of any property so damaged, provided that any excess over the amount of the indebtedness shall be delivered to the Mortgagor.

10. That Mortgagor will not convey, lease, or transfer the mortgaged premises or transfer all or any part of the beneficial interest of a trust if Mortgagor is a Trustee so long as any part of the indebtedness hereby secured remains unpaid, without the written consent of the Mortgagee, and that a violation of this provision will, at the option of the Mortgagee and without notice, accelerate maturity of the indebtedness hereby secured and cause the entire unpaid balance thereof to become immediately due and payable.

11. That each right, power and remedy herein conferred upon the Mortgagee is cumulative of every other right or remedy of the Mortgagee, whether herein or by law conferred, and may be enforced concurrently therewith, that no waiver by the Mortgagee of performance of any covenant herein or in said obligation contained shall thereafter in any manner affect the right of Mortgagee to require to enforce performance of the same or any other of said covenants; that whenever the context hereof requires, the masculine gender, as used herein, shall include the feminine and the neuter and the singular number, as used herein, shall include the plural; that all rights and obligations under this mortgage shall extend to and be binding upon the respective heirs, executors, administrators, successors and assigns of the Mortgagor, and the successors and assigns of the Mortgagee; and that the powers herein mentioned may be exercised as often as occasion

