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REAL ESTATE MORTGAGE

This indenture witnesseth that JANIS L. CHARLES

of Lake County, Indiana,

Mortgages and warrants to TIM KINACH

of Lake County

Indiana, as MORTGAGOR,

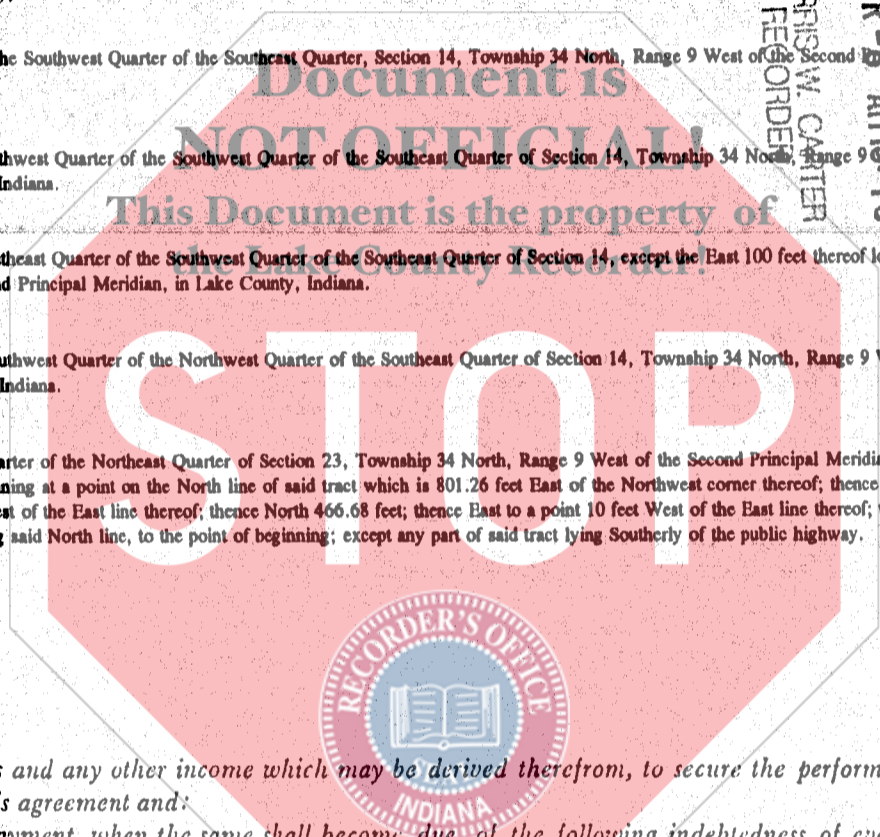
the following real estate in Lake State of Indiana, to wit:

- Parcel I:** The Southwest Quarter of the Southwest Quarter of the Southeast Quarter of Section 14, Township 34 North, Range 9 West of the Second Principal Meridian in Lake County, Indiana. Key Number: 7-33-27
- Parcel II:** The West Half of the Northwest Quarter of the Southwest Quarter of the Southeast Quarter of Section 14, Township 34 North, Range 9 West of the Second Principal Meridian, in Lake County, Indiana. Key Number: 7-33-79
- Parcel III:** The South Half of the Southeast Quarter of the Southwest Quarter of the Southeast Quarter of Section 14, except the East 100 feet thereof located in Township 34 North, Range 9 West of the Second Principal Meridian, in Lake County, Indiana. Key Number: 7-33-80
- Parcel IV:** The South Half of the Southwest Quarter of the Northwest Quarter of the Southeast Quarter of Section 14, Township 34 North, Range 9 West of the Second Principal Meridian, in Lake County, Indiana. Key Number: 7-33-17
- Parcel V:** Part of the Northwest Quarter of the Northeast Quarter of Section 23, Township 34 North, Range 9 West of the Second Principal Meridian in Lake County, Indiana, described as follows: Beginning at a point on the North line of said tract which is 801.26 feet East of the Northwest corner thereof; thence South 750.75 feet; thence East to a point 243.34 feet West of the East line thereof; thence North 466.68 feet; thence East to a point 10 feet West of the East line thereof; thence North to the North line thereof; thence West along said North line, to the point of beginning; except any part of said tract lying Southerly of the public highway. Key Number: 25-3-18

99029001

as MORTGAGOR,

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
99 APR - 9 AM 11:16
MORRIS W. CARTER
RECORDER



as well as the rents, profits and any other income which may be derived therefrom, to secure the performance of all conditions and stipulations of this agreement and:

A To secure the payment, when the same shall become due, of the following indebtedness of even date herewith:
Fifty-Four Thousand Dollars (\$54,000.00) payable upon demand.

with interest at the rate of _____ per cent per annum computed _____ during such period when there shall be no delinquency or default in the payment of any moneys to be paid on this obligation but with interest at the rate of _____ per annum computed semi-annually during such period when there shall be any delinquency or default in the payment of any moneys to be paid on this obligation and to be computed to the next interest period following such delinquency or default, and said rate shall continue to be paid until all delinquencies and defaults are removed by the beginning of a succeeding interest period, all without relief from Valuation and Appraisal Laws, and with attorney's fees;

- B Also securing any renewal or extension of such indebtedness;
- C Also securing all future advances to the full amount of this mortgage;
- D Also securing all indebtedness or liabilities incurred by the holder hereof for the protection of this security or for the collection of this mortgage.

Mortgagor agrees to pay to Mortgagee, in addition to the regular payments, an amount in equal monthly installments which will cover future payments of taxes, insurance and assessments against said real estate; and these payments shall constitute a trust fund out of which all future taxes, insurance and assessments shall be paid by Mortgagee so far as it shall cover such payments, and any deficiency shall be paid by Mortgagor as and when the payments become due, and any permanent surplus shall be credited to the principal.

Mortgagor further covenants and agrees as follows:

1. To keep all buildings, fixtures and improvements on said premises, now or hereafter erected thereon, and all equipment attached to or used in connection with the fixtures on said premises herein mortgaged insured against loss or damage by fire, windstorm and extended coverage in such sums and with such insurers as may be approved by Mortgagee as a further security for said indebtedness, which insurance policy or policies shall carry a mortgage clause with loss payable to Mortgagee in form satisfactory to Mortgagee to be delivered to possession of Mortgagee to be held continuously through period of the existence of said indebtedness or any portion thereof.

Handwritten initials and number: 50152-56177

2. To exercise due diligence in the operation, management and occupation of said real estate and the improvements thereon and not to remove or suffer to be removed any fixtures and/or appliance, now or hereafter placed on said premises; and to keep said real estate and improvements thereon in their present condition and repair, normal and ordinary depreciation excepted; Mortgagor shall not do or suffer to be done any acts which will impair the security of this mortgage nor any illegal or immoral acts on said premises; and Mortgagee shall have the right to inspect said premises at all reasonable times.

3. The holder of this obligation may renew the same or extend the time of payment of the indebtedness or any part thereof or reduce the payments thereon; and any such renewal, extension or reduction shall not release any maker, endorser, or guarantor from any liability on said obligation.

4. No sale of the premises hereby mortgaged or extension of time for the payment of the debt hereby secured shall operate to release, discharge or modify in any manner the effect of the original liability of the Mortgagor; and any extension of time on this mortgage by Mortgagee or his assigns, without the consent of the holder of any junior lien or encumbrance, shall not operate to cause a loss of the priority of this mortgage over such junior lien. Mortgagee shall be subrogated to any lien or claim paid by moneys advanced and hereby secured.

5. In case any part of the premises is appropriated under the power of eminent domain, the entire amount paid for said portion of the premises so appropriated shall be paid to this Mortgagee.

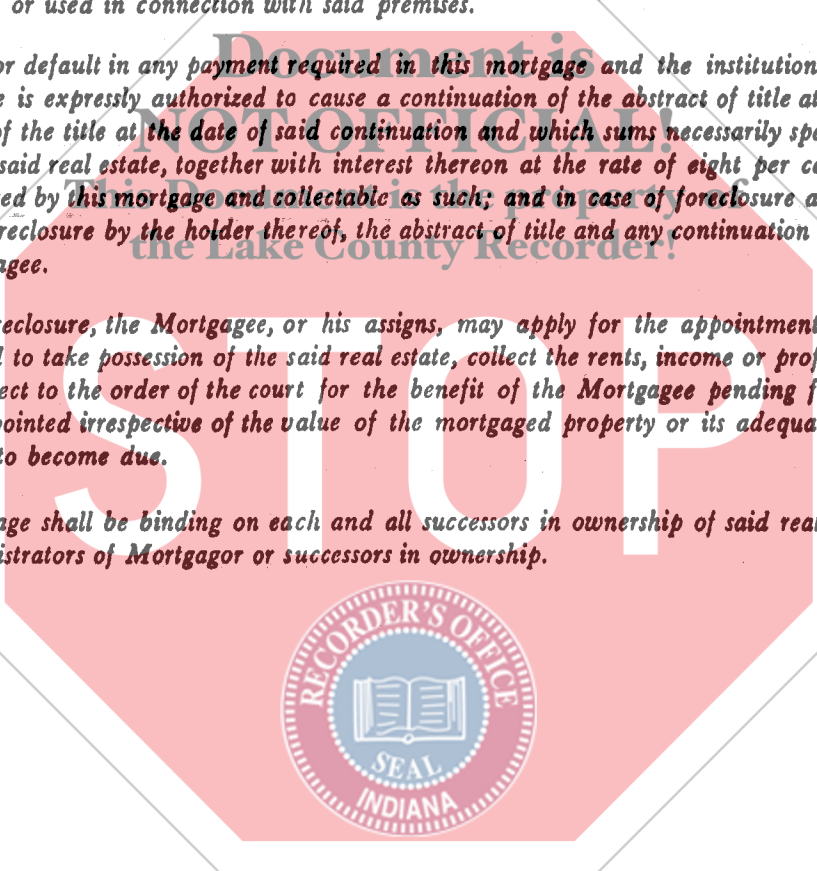
6. It is agreed that time is the essence of this agreement and that, in case of default in the payment of any installment when the same shall become due and payable, the holder of the note and mortgage may, at his option, declare all of the debt due and payable, and any failure to exercise said option shall not constitute a waiver of right to exercise the same at a later date. In the event any proceedings shall be instituted on any junior lien or encumbrance against said real estate, then the Mortgagee herein may immediately declare this mortgage due and payable and institute such proceedings as may be necessary to protect his interest. The lien of this mortgage shall include all heating, plumbing and lighting or other fixtures now or hereafter attached to or used in connection with said premises.

7. In case of delinquency or default in any payment required in this mortgage and the institution of foreclosure proceedings thereunder, Mortgagee is expressly authorized to cause a continuation of the abstract of title at the expense of Mortgagor to show the condition of the title at the date of said continuation and which sums necessarily spent for continuation of the abstract of title to the said real estate, together with interest thereon at the rate of eight per cent per annum, shall become part of the debt secured by this mortgage and collectable as such; and in case of foreclosure and purchase of said real estate pursuant to said foreclosure by the holder thereof, the abstract of title and any continuation thereof shall be the absolute property of the Mortgagee.

8. In the event of such foreclosure, the Mortgagee, or his assigns, may apply for the appointment of a receiver, which receiver is hereby authorized to take possession of the said real estate, collect the rents, income or profit, in money or in kind, and hold the proceeds subject to the order of the court for the benefit of the Mortgagee pending foreclosure proceedings. Said receiver may be appointed irrespective of the value of the mortgaged property or its adequacy to secure or discharge the indebtedness due or to become due.

9. All terms of this mortgage shall be binding on each and all successors in ownership of said real estate, as well as upon all heirs, executors, administrators of Mortgagor or successors in ownership.

10. Additional Covenants:



State of Indiana,

County, ss:

Dated this 18th day of March 1999

Before me, the undersigned, a Notary Public in and for said County and State, this 18th day of March 1999 personally appeared: JANIS L. CHARLES

Janis L. Charles Seal
Janis L. Charles

Seal

Seal

Seal

Seal

Seal

and acknowledged the execution of the foregoing mortgage. In witness whereof, I have hereunto subscribed my name and affixed my official seal. My commission expires May 5, 2000

SHARON J. PANLUS Notary Public

Sharon J. Pawlus Printed Signature

Resident of Indiana Lake County

This instrument prepared by James A. Harris, 5832 Hohman Ave., Hammond, IN 46320, Attorney at Law

Mail to: James A. Harris, 5832 Hohman Ave., Hammond, IN 46320