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STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

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MORRIS W. CARTER  
RECORDER

**CITIZENS FINANCIAL SERVICES, FSB  
CITIZENS SELECT. HOME EQUITY LINE OF CREDIT  
MORTGAGE**

This Mortgage to secure a revolving line of credit is made this 14th day of December, 1999 by and between Scott Dewes and Leone M. Dudash n/k/a Leone M. Dewes joint tenants with rights of survivorship (Mortgagor) and Citizens Financial Services, FSB which is organized and existing under the laws of the United States of America, and whose address is 707 Ridge Road, Munster, Indiana 46321 (Mortgagee).

Mortgagor and Mortgagee have entered into a certain Adjustable Interest Rate Note Line of Credit Agreement (Contract) dated December 14, 1999, whereby Mortgagee will make advances (loans) to Mortgagor from time to time under the terms and conditions of the Contract provided that the aggregate principal amount of such advances outstanding and unpaid at any one time shall not exceed \$86,400.00. The Mortgagor may make principal payments at any time during the term of the line of credit except however the entire outstanding principal amount if, not sooner paid, shall be due and payable on December 15, 2004.

Therefore, to secure to Mortgagee the repayment of: (A) any and all indebtedness or liabilities to Mortgagee as evidenced by said Contract, together with any extensions or renewals thereof, and any other instrument given by Mortgagor to Mortgagee as evidenced of or in payment of any indebtedness arising out of said Contract; (B) the payment of all other sums advanced to protect the security of this Mortgage; and (C) the performance of all covenants and agreements of the Mortgagor herein contained; the Mortgagor does hereby mortgage, grant and convey to Mortgagee, its successors and assigns, the following described real estate located in Lake County, in the State of Indiana, legally described as follows:

Lot 88 in Cottage Grove Addition to Crown Point, as per plat thereof, recorded in Miscellaneous Record "A" page 511, in the Office of the Recorder of Lake County, Indiana; which has the address of 621 W. North St., Crown Point, IN 46307.

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by the Mortgage. All of the foregoing is referred to in this Mortgage as the Property.

Mortgagor hereby covenants and agrees with Mortgagee as follows:

CFS, Hmd

TICOR TITLE INSURANCE  
Crown Point, Indiana  
C-99208287

19.00  
11

**1. WARRANTY OF RIGHT TO MORTGAGE.** Mortgagor covenants that mortgagor is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the Property, and the Mortgagor will warrant and defend generally the title to the Property against all claims and demands, subject to any liens, easements, covenants, conditions and restrictions of record listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagee's interest in the Property.

**2. TAXES AND CHARGES.** Mortgagor shall pay from time to time, when due, and before any penalty attaches, all general and special taxes and assessments, water and sewer charges, and all other public charges imposed or assessed against the Property or arising in respect to the use, occupancy or possession thereof. Mortgagor shall promptly furnish to Mortgagee, upon request by Mortgagee, all notices, bills and statements received by Mortgagor of amounts so due, and Mortgagor shall, upon request by Mortgagee, promptly furnish Mortgagee receipts evidencing such payments. Mortgagor may in good faith contest at its own expense the validity of any tax, assessment or charge provided Mortgagor pays the same in full under protest or deposits said sum with the Mortgagee as security for payment thereof.

**3. INSURANCE.** Mortgagor shall keep all buildings and improvements now existing or hereafter erected or situated on the Property insured against fire, lightning, windstorm, vandalism, malicious damage, and any such other hazards included with the term "extended coverage", together with such other hazards, liabilities and contingencies in such amounts and for such periods as Mortgagee may from time to time reasonably require. Mortgagor shall keep all buildings and improvements insured against loss or damage by flood if the Property is located in a Flood Hazard Zone. Mortgagor shall obtain premises liability insurance with respect to the Property in an amount acceptable to the Mortgagee.

All said insurance policies and renewals thereof shall be issued by carriers satisfactory to the Mortgagee, and shall include a standard mortgage clause, loss payee clause or endorsement in favor of the Mortgagee and in form and substance acceptable to the Mortgagee. Each such policy shall not be cancelled by the insurance company without at least thirty (30) days prior written notice to the Mortgagee. Any such insurance policy shall be in a sum sufficient to pay in full the cost of repairing and replacing the buildings and improvements on the Property and in no event shall be less than the maximum amount of Mortgagor's line of credit pursuant to said Contract secured hereby plus the outstanding balance on the first mortgage. The Mortgagor shall deliver the original of any such policy to the Mortgagee to be held by it. The Mortgagor shall promptly furnish to Mortgagee, on request, all renewal notices and receipts for paid premiums. At least thirty (30) days prior to the expiration date of any such policy, Mortgagor shall deliver to Mortgagee any such renewal policy.

In the event of loss, Mortgagor shall give immediate written notice to the insurance carrier and to Mortgagee. Mortgagor authorizes and empowers Mortgagee as attorney-in-fact for Mortgagor to adjust and compromise any claim under any such insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, to endorse and deposit any insurance checks or drafts payable to Mortgagor, and to deduct therefrom Mortgagee's expenses incurred in the collection of such proceeds; provided however, that nothing contained in this paragraph 3 shall require Mortgagee to incur any expense or take any action hereunder, nor prevent the Mortgagee from asserting any independent claim or action versus any such insurance carrier in its own name.

The insurance proceeds after the deduction of the Mortgagee's expenses incurred in collecting the same, shall be applied to the payment of the sums secured by this Mortgage. Any such application of the proceeds shall not extend or postpone the due dates of the payments provided by said Contract. If the Property is sold or if Mortgagee acquires title to the Property, Mortgagee shall have all of the right, title and interest of Mortgagor in and to any insurance policies and unearned premiums thereon and in and to the proceeds resulting from any damage to the Property prior to such sale or acquisition.

**4. ESCROW AMOUNTS.** If Mortgagor presently pays escrow amounts for taxes, assessments, and other charges to the holder of the superior mortgage, Mortgagor will not have to make escrow payments to Mortgagee. However, if the Mortgagor is not making these payments to another lender, Mortgagee retains the option to require Mortgagor to pay, in addition to Mortgagor's payment each month, taxes and assessments, which may attain priority over the mortgage, and ground rents on the Property, if any, plus one-twelfth of the yearly premium installments for hazard insurance, plus one-twelfth of the yearly premium installments for mortgage insurance, if any, all as reasonably estimated initially and from time to time adjusted by Mortgagee on the basis of assessments and bills and of reasonable estimates of the insurance premiums. Such escrow payments are required to ensure that there will be amounts sufficient to pay all Mortgagor's taxes, assessments, hazard insurance premiums, and, if any, ground rents, flood insurance premiums, and mortgage insurance premiums when due. Failure to make any of these escrow payments may result in Mortgagor being in default.

**5. PRESERVATION AND MAINTENANCE OF PROPERTY.** Mortgagor (A) shall not commit waste or permit impairment or deterioration of the Property, make any material alterations therein, nor demolish or remove the same; (B) shall not abandon the Property; (C) shall keep the Property including improvements thereon in good condition and repair; (D) shall not mortgage or otherwise encumber nor allow any judgment liens, tax liens or mechanic's liens to be imposed against the Property; (E) shall promptly pay when due any indebtedness which may be secured by any other mortgage, lien or charge on the Property; (F) shall comply with all laws, ordinances, regulations, codes and requirements of any governmental body applicable to the Property; and shall give notice in writing to Mortgagee of and, unless otherwise directed in writing by Mortgagee, appear in and defend any action or proceeding purporting to affect the Property, the security of this Mortgage or the rights or powers of Mortgagee.

**6. USE OF PROPERTY.** Unless required by applicable law or unless Mortgagee has otherwise agreed in writing, Mortgagor shall not allow changes in the use for which all or any part of the Property was intended at the time this Mortgage was executed. Mortgagor shall not initiate or acquiesce to a change in the zoning classification of the Property without Mortgagee's prior written consent.

**7. OCCUPANCY.** If the Property is to be occupied as Mortgagor's principal residence as indicated on Mortgagor's loan application, the Mortgagor shall continue to occupy the Property unless Mortgagee otherwise agrees in writing.

**8. PROTECTION OF MORTGAGEE'S SECURITY.** If Mortgagor fails to perform any of the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which affects the Property of title thereto or the interest of Mortgagee therein, then Mortgagee at Mortgagee's option may disburse

such sums, may make such appearances and take such action as Mortgagee deems necessary, in its sole discretion, to protect Mortgagee's interest.

Any amounts disbursed by Mortgagee pursuant to this Paragraph 8 shall become an additional indebtedness of Mortgagor secured by this Mortgage. Such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the rate stated in the Contract. Mortgagor hereby covenants and agrees that Mortgagee shall be subrogated to the rights of the holder of any lien so discharged, in whole or in part, by the Mortgagee. Nothing contained in this Paragraph 8 shall require Mortgagee to incur any expense or take any action hereunder. If Mortgagee makes any payment authorized by this Paragraph 8, including but not limited to taxes, assessments, charges, liens security interests or insurance premiums, Mortgagee may do so according to any notice, bill, statement or estimate received from the appropriate party without inquiry into the accuracy or validity of such notice, bill, statement or estimate. The payment of any such sums by the Mortgagee shall not be deemed a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this Mortgage and declare this Mortgage in default, and failure to so act shall not be considered as a waiver of any right accruing to Mortgagee on account of any default hereunder on the part of the Mortgagor.

**9. INSPECTION.** Mortgagee may make or cause to be made reasonable entries upon and inspection of the Property at all reasonable times and access thereto shall be permitted for that purpose by the Mortgagor.

**10. CONDEMNATION.** Mortgagor shall promptly notify Mortgagee of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or any part thereof, and Mortgagor shall appear in and prosecute any such action or proceeding unless otherwise directed by Mortgagee in writing. Mortgagor authorizes Mortgagee, at Mortgagee's option, as attorney-in-fact for Mortgagor, to commence, appear in and prosecute, in Mortgagee's or Mortgagor's name, any action or proceeding relating to any condemnation or other taking of the Property, whether direct or indirect, and to settle or compromise any claim in connection with such condemnation or other taking. The proceeds of any award, payment or claim for damages, direct or consequential, in connection with any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, or for conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Mortgagee.

In the event of a total or partial taking of the Property, Mortgagor authorizes Mortgagee to apply such awards, payments, proceeds or damages, after the deduction of Mortgagee's expenses incurred in the collection of such amounts to payment of the sums secured by this Mortgage, whether or not then due, with the balance, if any, to Mortgagor. Any application of the proceeds shall not extend or postpone the due date of the monthly installments referred to in said Contract. Mortgagor agrees to execute such further evidence of assignment of any awards, proceeds, damages or claims arising in connection with such condemnation or taking as Mortgagee may require.

**11. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN MORTGAGOR.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Mortgagor is sold or transferred and Mortgagor is not a natural person) without Mortgagee's prior written consent, Mortgagee will refuse to make any advance permitted by the Contract and may, at its option, require immediate payment in full of all sums secured by this Mortgage. If Mortgagee exercises this option, Mortgagee shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or

**CITIZENS FINANCIAL SERVICES, FSB**

**ADJUSTABLE INTEREST RATE NOTE  
AND  
LINE OF CREDIT AGREEMENT**

This Adjustable Interest Rate Note and Line of Credit Agreement (Contract) is made on this 14th day of December, 1999 between Scott Dewes and Leone M. Dewes as Borrower and Citizens Financial Services, FSB (Lender). The terms "you" and "your" refer to the Borrower individually and jointly. The terms "we" "us" and "our" refer to the Lender. You and we agree to the following terms and conditions.

**1. LINE OF CREDIT.** You have applied to us for a Line of Credit of up to Eighty Six Thousand Four Hundred and 00/100 (\$86,400.00), (the "Credit Limit") and we are willing to make such Line of Credit available to you subject to the terms and conditions of this Contract.

Although we will open your checking account when we accept this Contract, you may not draw on your Line of Credit until after your three day cancellation period has expired, unless Federal Law does not require us to provide you with a Notice of Right to Cancel. We will make advances (loans) to you from time to time under your Line of Credit, provided that the aggregate principal amount of such advances outstanding and unpaid at any one time shall not exceed your Credit Limit.

**2. TERM.** The outstanding balance of your Line of Credit will be payable in full on December 15, 2004. At that time, the entire principal balance and unpaid finance charges will be due. This may result in a large payment. We will notify you at least 90 days prior to the maturity date when your balance will be due provided, however, failure to provide said notice shall not extend the term. We are under no obligation to extend an offer to refinance your Line of Credit. However, if you are not in default at that time and you have maintained, in our judgment, a good credit history with us, we may offer to refinance the amount due in accordance with our lending policies and underwriting standards. If such an offer will be made, we will notify you when you receive the notice of maturity.

**3. MANNER OF USING LINE OF CREDIT.** You may access and activate the Line of Credit by writing a check or making a withdrawal from your Citizens Select Home Equity Line of Credit checking account, provided however, the amount of each check or withdrawal shall be a minimum of \$500.00. No check or withdrawal drawn against your Line of Credit will be honored that would increase the outstanding balance in excess of your Credit Limit.

**4. SECURITY.** The Line of Credit will be evidenced by this Contract and secured by a real estate mortgage. If title to your home is held in land trust, the Line of Credit may also be secured by an assignment of the beneficial interest in the land trust.

**5. ANNUAL PERCENTAGE RATE.** During the first 24 months of your Line of Credit, the ANNUAL PERCENTAGE RATE will be fixed at ~~December 14, 1999~~ 9.00% <sup>9.00%</sup>. Thereafter, the ANNUAL PERCENTAGE RATE may change daily if the Index Rate changes. The Index Rate is the Prime Rate as published in the *Wall Street Journal* "Money Rates" section.

On the second anniversary date of this Contract, THE ANNUAL PERCENTAGE RATE may change daily as a result of changes to the Index Rate. To determine the new ANNUAL PERCENTAGE RATE, we will add One Half% to the Index Rate. Increases to the Index Rate will result in an increase of your ANNUAL PERCENTAGE RATE and decrease to the Index Rate will result in a decrease of the ANNUAL PERCENTAGE RATE. The maximum ANNUAL PERCENTAGE RATE shall not exceed 17.00% or the maximum ANNUAL PERCENTAGE RATE allowed by law, whichever is less. We will notify you of any changes of the ANNUAL PERCENTAGE RATE on your monthly statement.

6. **FINANCE CHARGE.** A Daily Periodic Rate is used to determine the FINANCE CHARGE for each billing cycle on your the Line of Credit and is determined by dividing the ANNUAL PERCENTAGE RATE by 365. The ending daily balance of your Line of Credit shall be multiplied by the Daily Periodic Rate and the resulting product shall then be multiplied by the number of days in the billing cycle that the balance is outstanding. To determine the ending daily balance, we will take the beginning balance each day and add any new loans or charges and subtract any payments or credits. The FINANCE CHARGE will begin to accrue on the date a transaction is posted to your account.

7. **MONTHLY PAYMENTS.** Until all sums owing by you under the Line of Credit have been paid in full, you promise to pay to us the Total Payment Due on or before the Payment Due Date shown on each monthly statement. The Total Payment Due each month will be the interest due for that Billing Cycle plus any late or other charges.

You may prepay the outstanding principal amount due under the Line of Credit in whole or in part at any time without penalty, provided however, the entire principal balance plus unpaid interest will be due and payable in full on December 15, 2004.

Monthly payments will be applied first to unpaid interest, then any unpaid credit life premiums, then any unpaid late charges, then any unpaid miscellaneous items and then to reduce the unpaid principal balance of the Line of Credit.

8. **LATE CHARGES.** In the event any monthly payment is not paid within 15 days after the due date shown on the Monthly Statement, you will pay to us a late charge in an amount equal to 5% of the overdue Monthly Payment.

9. **ANNUAL FEE.** The Annual Fee for your Line of Credit is \$40.00, however, for the first year only, we will waive this fee. Beginning with the second year, the Annual Fee will be automatically charged to your Line of Credit account and will appear on your monthly statement.

10. **CHARGES.** There is no charge for the initial supply of 25 checks that you will use to access your Line of Credit. Subsequent check orders will be automatically charged to your Line of Credit at the customary charge prevailing at that time.

Credit Life Insurance will be provided to you if you sign an agreement to pay the monthly premiums for it which will be included in the Payment Amount Due under the Line of Credit. No such insurance is required to obtain the Line of Credit, nor will such insurance be in force until you have completed an application, the insurance company has issued the policy, the effective date of policy has arrived and the required premium has been paid.

11. **TAX DEDUCTIBILITY.** You should consult a tax advisor regarding the deductibility of finance charges and fees for your Line of Credit.

12. **CANCELLATION.** You may cancel this Contract at any time by paying the outstanding balance plus unpaid finance charges due and any other charges due and notifying us in writing of your intention to cancel. Upon receipt of such notice and payment by you, the Line of Credit will no longer be available to you, and we will mark this Contract cancelled and take the necessary steps to release the mortgage and, where applicable, the Assignment of Beneficial Interest in a land trust.

13. **FREEZING OUR OBLIGATION TO MAKE ADVANCES (LOANS).** Notwithstanding any other provisions of this Contract, we can refuse to make any advance permitted by this Contract or reduce your Credit Limit if:

- (1) The value of the dwelling securing the Line of Credit declines significantly below its appraised value for purposes of the Line of Credit;
- (2) We reasonably believe you will not be able to meet the repayment requirements due to a material change in

your financial circumstances;

- (3) You are in default of a material obligation in the agreement;
- (4) Government action prevents us from imposing the annual percentage rate provided for or impairs our security interest such that the value of the interest is less than 120 percent of the Line of Credit;
- (5) A regulatory agency has notified us that continued advances would constitute an unsafe and unsound business practice; and
- (6) The maximum annual percentage rate is reached.
- (7) You have been deemed insolvent or have been adjudicated bankruptcy, or your assets have otherwise been generally assigned for the benefit of your creditors.

In the event that we suspend your right to additional advances or reduce your credit line, we will send you notice of our decision at the address listed in Section 13 of this Contract. If we have based our decision to suspend or reduce your credit privileges on an assessment of your financial condition or performance under this plan, and you believe that your situation has changed, you must request that we re-evaluate your situation, and reinstate your credit privileges.

**14. DEFAULT AND REMEDIES.** You will be in default on this Contract if any of the following occur:

- (1) You engage in fraud or material misrepresentation, by your actions or failure to act, in connection with any phase of this Line of Credit;
- (2) You do not meet the repayment terms; and
- (3) Your action or inaction adversely affects the collateral or our rights in the collateral, including but not limited to: (a) failure to maintain required insurance on the dwelling; (b) your transfer of the property; (c) failure to maintain the property or use of it in a destructive manner; (d) commission of waste; (e) failure to pay taxes on the property or otherwise fail to act and thereby cause a lien to be filed against the property that is senior to our lien; (f) death; (g) the property is taken through eminent domain; (h) a judgment is filed against you and subjects you and the property to action that adversely affects our interest; or (i) a prior lien holder forecloses on the property and as a result, our interest is adversely affected.

We may terminate your account, require you to pay the entire outstanding balance in one payment and charge fees related to the collection of the amount owing, if you are in default in any manner described above.

Even if we choose not to use one of our remedies when you default, we do not forfeit our right to do so if you default again.

**15. GIVING OF NOTICES.** Any notice that must be given to you under this Contract will be given by hand delivering it to you or mailing it to you at 621 W. North St., Crown Point, IN 46307. Any notice that must be given to us under this Contract will be given by hand deliver or mailing it to us at 5311 Hohman Ave. Hammond, IN 46320, Attention: Mortgage Loan Department. A notice will be mailed at a different address upon written notice of that different address. Unless otherwise specifically provided, any notice provided for in this Contract will be considered to have been given on the date it is delivered by hand or the date such notice is deposited into the U.S. mail system.

**16. YOUR BILLING RIGHTS.** In case of error or inquiries about your bill, please refer to the following described notice:

**YOUR BILLING RIGHTS  
KEEP THIS NOTICE FOR FUTURE USE**

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

**NOTIFY US IN CASE OF ERRORS  
OR QUESTIONS ABOUT YOUR BILL**

If you think your bill is wrong, or if you need more information about a Transaction on your bill, write to **Citizens Financial Services, FSB, 5311 Hohman Ave. Hammond, IN 46320** as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number;
- The dollar amount of the suspected error; and
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

**Document is  
NOT ON FILE!  
YOUR RIGHTS AND OUR RESPONSIBILITIES  
AFTER WE RECEIVE YOUR WRITTEN NOTICE!**

We must acknowledge your letter within 30 days unless we have corrected the error by that date. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we did not make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone to whom we report that you have a question about your bill. We must tell anyone to whom we report that the matter has been settled between us when it is finally settled.

If we do not follow these rules, we cannot collect the first \$50.00 of the questioned amount, even if your bill was correct.

17. GENERAL. This Contract shall be governed and construed in accordance with the laws of the State of Indiana. This Contract shall be binding upon and inure to the benefit of you and us and our respective successors and assigns.

CITIZENS FINANCIAL SERVICES, FSB

BY: Elizabeth R. DeBolt  
Elizabeth R. DeBolt

Scott Dewes  
Scott Dewes, Borrower

Leone M. Dewes  
Leone M. Dewes, Borrower



mailed within which Mortgagor must pay all sums secured by this Mortgage. If Mortgagor fails to pay these sums prior to the expiration of this period, Mortgagee may invoke any remedies permitted by the Contract and this Mortgage without further notice or demand on Mortgagor.

**12. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; CO-SIGNERS.**

The covenants and agreements of this Mortgage shall bind and benefit the successors and assigns of Mortgagee and Mortgagor, subject to the provisions of paragraph 11. Mortgagor's covenants and agreements shall be joint and several. Any Mortgagor who co-signs this Mortgage but does not execute the Contract: (A) is co-signing this Mortgage only to mortgage, grant and convey that Mortgagor's interest in the Property under the terms of this Mortgage; (B) is not personally obligated to pay the sums secured by the Mortgage; and (C) agrees that Mortgagee and any other Mortgagor may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Mortgage or the Contract without that Mortgagor's consent.

**13. GOVERNING LAW; SEVERABILITY.** This Mortgage shall be governed by federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Contract conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Contract which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Contract are declared to be severable.

**14. DEFAULT; ACCELERATION; EXTENSION; REMEDIES.** Upon Mortgagor's default of any covenant, warranty, condition or agreement of Mortgagor in this Mortgage, including but not limited to, the covenants to pay when due any sums secured by this Mortgage, or the default by Mortgagor of any one or more of the events or conditions defined as Default and Remedies in the Contract secured hereby, or in any other obligation secured by the Mortgage or upon the default by Mortgagor in any obligation under any mortgage having priority over this Mortgage, Mortgagee, at Mortgagee's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceedings and may invoke any other remedies permitted by applicable law or provided herein.

The Mortgagee, at its option, may extend the maturity of the Contract 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, forbearance, or delay of the Mortgagee in enforcing any of the provisions of this Mortgage, shall operate to impair the lien thereof or waive any rights accrued or that might accrue hereunder.

The Mortgagee shall also be entitled to collect all costs and expenses, including, but not limited to, title reports, appraisal fees, and reasonable attorney's fees incurred by Mortgagee in connection with (A) any proceeding, without limitation in probate, bankruptcy, receivership or proceedings to which the Mortgagee may be a party, either as plaintiff, claimant or defendant by reason of this Mortgage or any indebtedness secured hereby; (B) preparation of the commencement of a suit for foreclosure of this Mortgage after accrual of the right to foreclose whether or not actually commenced; or (C) the defense of this Mortgage in any proceeding instituted by any other lienholder. All costs, expenses and attorney's fees when incurred or paid by Mortgagee shall become additional indebtedness secured by this Mortgage and which shall be immediately due and payable by Mortgagor with interest

at the rate stated in said Contract.

15. MISCELLANEOUS.

(A) The word Mortgagor as used herein shall include all persons executing this Mortgage and the word Mortgagee shall mean its respective successors and assigns. The singular shall mean the plural and the plural shall mean the singular and the use of any gender shall be applicable to all genders.

(B) Any forbearance by Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law or equity, shall not be a waiver of or preclude the exercise of any such right or remedy.

(C) Each remedy provided for in this Mortgage is distinct and cumulative to all other rights and remedies under this Mortgage or afforded by applicable law or equity, and may be exercised concurrently, independently or successively in any order whatsoever.

(D) No change, amendment or modification of this Mortgage shall be valid unless in writing and signed by the Mortgagor and Mortgagee or their respective successors and assigns.

(E) Upon payment of all sums secured by this Mortgage, Mortgagee shall release this Mortgage. Borrower shall pay Mortgagee for expenses incurred in releasing the Mortgage, including but not limited to, preparation of payoff statements, preparation of and processing of Satisfaction of Mortgage and recordation or filing fees.

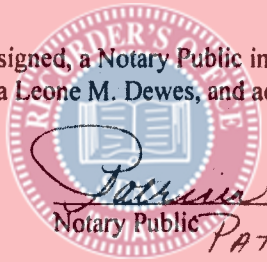
IN WITNESS WHEREOF, Mortgagor has executed this Mortgage the date and year set forth above.

Scott Dewes  
Scott Dewes, Borrower  
STATE OF INDIANA )

Leone M. Dudash n/k/a Leone M. Dewes  
Leone M. Dudash n/k/a Leone M. Dewes, Borrower

) SS:  
COUNTY OF LAKE )

On this December 14, 1999, before me, the undersigned, a Notary Public in and for said County, personally appeared Scott Dewes and Leone M. Dudash n/k/a Leone M. Dewes, and acknowledged the execution of the foregoing instrument.



My Commission Expires: 8/27/00  
County of Residence: LAKE  
THIS INSTRUMENT WAS PREPARED BY:

Patricia A. Kulavic  
Notary Public  
LINDA S. MONGE, VICE PRESIDENT  
CITIZENS FINANCIAL SERVICES, FSB  
5311 HOHMAN AVENUE, HAMMOND, IN 46320