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STATE OF INDIANA
LAKE COUNTY
FILED

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MORRIS W. CARTER
RECORDER

HOME EQUITY LINE MORTGAGE AND FIXTURE FILING

BORROWER RICHARD V. DORCH, SR. MARY JO DORCH		MORTGAGOR RICHARD V. DORCH, SR. MARY JO DORCH	
ADDRESS 7420 WOODLAWN AVENUE HAMMOND, IN 46324		ADDRESS 7420 WOODLAWN AVENUE HAMMOND, IN 46324	
TELEPHONE NO. 219-937-9438	IDENTIFICATION NO.	TELEPHONE NO. 219-937-9438	IDENTIFICATION NO.

In consideration of the loan or other credit accommodation hereinafter specified and any future advances or future Obligations, as defined herein, which may hereafter be advanced or incurred and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor hereby mortgages and warrants to Mercantile National Bank of Indiana 200 W Ridge Road, PO Box 599, Griffith, IN 46319

_____ ("Lender"),
its successors and assigns, with power of sale and right of entry and possession, all of Mortgagor's present and future estate, right, title, and interest in and to the real property described in Schedule A, which is attached to this Mortgage and incorporated herein by this reference, together with all present and future improvements and fixtures; all tangible personal property including without limitation all machinery, equipment, materials, and goods of every nature (excluding consumer goods) now or hereafter located on or used in connection with the real property, whether or not affixed to the land; all privileges, hereditaments, and appurtenances; all leases, licenses and other agreements; all rents, issues and profits; all water, well, ditch, reservoir and mineral rights and stocks pertaining to the real property (cumulatively "Property"); until payment in full of all Obligations secured hereby.

Moreover, in further consideration, Mortgagor does, for Mortgagor and Mortgagor's heirs, representatives, successors, and assigns, hereby expressly warrant, covenant, and agree with Lender, its successors and assigns as follows:

INSURANCE
t, Indiana



(e) all amendments, extensions, renewals, modifications, replacements or substitutions to any of the foregoing.

Mortgagor shall pay and perform all Obligations of the Mortgagor to Lender when due and in accordance with any instrument, document, note, guaranty or agreement creating the Obligations.

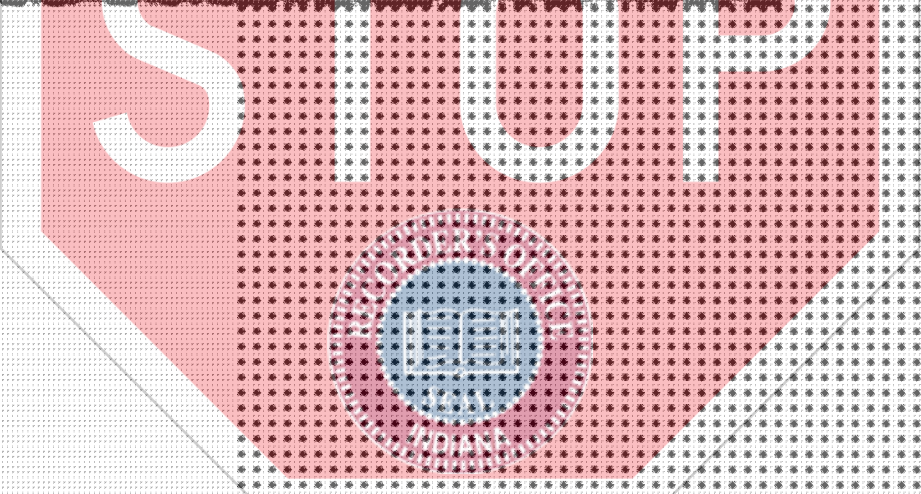
As used in this Paragraph 1, the terms Mortgagor and Borrower shall include and also mean any Mortgagor or Borrower if more than one.

2. REPRESENTATIONS, WARRANTIES AND COVENANTS. Mortgagor represents, warrants and covenants to Lender that:

(a) Mortgagor has fee simple marketable title to the Property and shall maintain the Property free of all liens, security interests, encumbrances and claims except for this Mortgage and those described in Schedule B which is attached to this Mortgage and incorporated herein by reference, which Mortgagor agrees to pay and perform in a timely manner;

(b) Mortgagor is in compliance in all respects with all applicable federal, state and local laws and regulations, including, without limitation, those relating to "Hazardous Materials" as defined herein, and other environmental matters (the "Environmental Laws"), and neither the federal government nor the state where the real property is located or any other governmental or quasi governmental entity has filed a lien on the Property, nor are there any governmental, judicial or administrative actions with respect to environmental matters pending, or to the best of the Mortgagor's knowledge, threatened, which involve the Property. Neither Mortgagor nor, to the best of Mortgagor's knowledge, any other party has used, generated, released, discharged, stored, or disposed of any Hazardous Materials as defined herein, in connection with the Property or transported any Hazardous Materials to or from the Property. Mortgagor shall not commit or permit such actions to be taken in the future. The term "Hazardous Materials" shall mean any substance, material, or waste which is or becomes regulated by any governmental authority including, but not limited to, (i) petroleum; (ii) friable or nonfriable asbestos; (iii) polychlorinated biphenyls; (iv) those substances, materials or wastes designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act or listed pursuant to Section 307 of the Clean Water Act or any amendments or replacements to these statutes; (v) those substances, materials or wastes defined as a "hazardous waste" pursuant to Section 1004 of the Resource Conservation and Recovery Act or any amendments or replacements to that statute; and (vi) those substances, materials or wastes defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, or any amendments or replacements to that statute or any other similar state or federal statute, rule, regulation or ordinance now or hereafter in effect. Mortgagor shall not lease or permit the sublease of the Property to a tenant or subtenant whose operations may result in contamination of the Property with Hazardous Materials or toxic substances.

(c) All applicable laws and regulations including, without limitation, the Americans with Disabilities Act, 42 U.S.C. Section 12101 et seq. (and all regulations promulgated thereunder) and all zoning and building laws and regulations relating to the Property by virtue of any federal, state or municipal authority with jurisdiction over the Property, presently are and shall be observed and complied with in all material respects, and all rights, licenses, permits, and



maintenance contributions, tax and insurance contributions, deficiency rents, liquidated damages following default in any Lease, all proceeds payable under any policy of insurance covering loss of rents resulting from untenantability caused by destruction or damage to the Property, all proceeds payable as a result of a lessee's exercise of an option to purchase the Property all proceeds derived from the termination or rejection of any Lease in a bankruptcy or other insolvency proceeding, and all proceeds from any rights and claims of any kind which Mortgagor may have against any lessee under the Leases or any occupants of the Property (all of the above are hereafter collectively referred to as the "Rents"). This assignment is subject to the right, power and authority given to the Lender to collect and apply the Rents. This assignment is recorded in accordance with applicable state law; the lien created by this assignment is intended to be specific, perfected, and choate upon the recording of this Mortgage, all as provided by applicable state law as amended from time to time. As long as there is no default under the Obligations or this Mortgage, Lender grants Mortgagor a revocable license to collect all Rents from the Leases when due and to use such proceeds in Mortgagor's business operations. However, Lender may at any time require Mortgagor to deposit all Rents into an account maintained by Mortgagor or Lender at Lender's institution. Upon default in the payment of, or in the performance of, any of the Obligations, Lender may at its option take possession of the Property and have, hold, manage, lease and operate the Property on terms and for a period of time that Lender deems proper. Lender may proceed to collect and receive all Rents, from the Property, and Lender shall have full power to periodically make alterations, renovations, repairs or replacements to the Property as Lender may deem proper. Lender may apply all Rents in Lender's sole discretion, to payment of the Obligation or to the payment of the cost of such alterations, renovations, repairs and replacements and any expenses incident to taking and retaining possession of the Property and the management and operation of the Property. Lender may keep the Property properly insured and may discharge any taxes, charges, claims, assessments and other liens which may accrue. The expense and cost of these actions may be paid from the Rents received, and any unpaid amounts shall be added to the principal of the Obligations. These amounts, together with other costs, shall become part of the Obligations secured by this Mortgage.

6. LEASES AND OTHER AGREEMENTS. Mortgagor shall not take or fail to take any action which may cause or permit the termination or the withholding of any payment in connection with any Lease pertaining to the Property. In addition, Mortgagor, without Lender's prior written consent, shall not: (a) collect any monies payable under any Lease more than one month in advance; (b) modify any Lease; (c) assign or allow a lien, security interest or other encumbrance to be placed upon Mortgagor's rights, title and interest in and to any Lease or the amounts payable thereunder or permit any of the foregoing to be subordinated to any lien or encumbrance other than a lien or encumbrance in favor of Lender; or (d) terminate or cancel any Lease except for the nonpayment of any sum or other material breach by the other party thereto. If Mortgagor receives at any time any written communication asserting a default by Mortgagor under an Lease or purporting to terminate or cancel any Lease, Mortgagor shall promptly forward a copy of such communication (and any subsequent communications relating thereto) to Lender. All such Leases and the amounts due to Mortgagor thereunder are hereby assigned to Lender as additional security for the Obligations.

7. COLLECTION OF INDEBTEDNESS FROM THIRD PARTY. Lender shall be entitled to notify or require Mortgagor to notify any third party (including, but not limited to, lessees, licensees, governmental authorities and insurance companies) to pay Lender any indebtedness or obligation owing to Mortgagor with respect to the Property (cumulatively "Indebtedness") whether or not a default exists under this Mortgage. Mortgagor shall diligently collect the Indebtedness owing to Mortgagor from these third parties until the giving of such notification. In the event that Mortgagor possesses or receives possession of any instruments or other remittances with respect to the Indebtedness following the giving of such notification or if the instruments or other remittances constitute the prepayment of any Indebtedness or the payment of any insurance or condemnation proceeds, Mortgagor shall hold such instruments and other remittances in trust for Lender apart from its other property, endorse the instruments and other remittances to Lender, and immediately provide Lender with possession of the instruments and other remittances. Lender shall be entitled, but not required, to collect (by legal proceedings or otherwise), extend the time for payment, compromise, exchange or release any obligor or collateral, or otherwise settle any of the Indebtedness whether or not an event of default exists under this Agreement. Lender shall not be liable to Mortgagor for any action, error, mistake, omission or delay pertaining to the actions described in this paragraph or any damages resulting therefrom. Notwithstanding the foregoing, nothing herein shall cause Lender to be deemed a mortgagee-in-possession.

8. USE AND MAINTENANCE OF PROPERTY. Mortgagor shall take all actions and make any repairs needed to maintain the Property in good condition. Mortgagor shall not commit or permit any waste to be committed with respect to the Property. Mortgagor shall use the Property solely in compliance with applicable law and insurance policies. Mortgagor shall not make any alterations, additions or improvements to the Property without Lender's prior written consent. Without limiting the foregoing, all alterations, additions and improvements made to the Property shall be subject to the beneficial interest belonging to Lender, shall not be removed without Lender's prior written consent, and shall be made at Mortgagor's sole expense.

9. LOSS OR DAMAGE. Mortgagor shall bear the entire risk of any loss, theft, destruction or damage (cumulatively "Loss or Damage") to the Property or any portion thereof from any cause whatsoever. In the event of any Loss or Damage, Mortgagor shall, at the option of Lender, repair the affected Property to its previous condition or pay or cause to be paid to Lender the decrease in the fair market value of the affected Property.

10. INSURANCE. The Property will be kept insured for its full insurable value (replacement cost) against all hazards including loss or damage caused by flood, earthquake, tornado and fire, collision, theft or other casualty to the extent required by Lender. Mortgagor may obtain insurance on the Property from such companies as are acceptable to Lender in its sole discretion. The insurance policies shall require the insurance company to provide Lender with at least 30 days' written notice before such policies are altered or cancelled in any manner. The insurance policies shall name Lender as a loss payee and provide that no act or omission of Mortgagor or any other person shall affect the right of Lender to be paid the insurance proceeds pertaining to the loss or damage of the Property. In the event Mortgagor fails to acquire or maintain insurance, Lender (after providing notice as may be required by law) may in its discretion procure appropriate insurance coverage upon the Property and the insurance cost shall be an advance payable and bearing interest as described in Paragraph 21 and secured hereby. Mortgagor shall furnish Lender with evidence of insurance indicating the required coverage. Lender may act as attorney-in-fact for Mortgagor in making and settling claims under insurance policies, cancelling any policy or endorsing Mortgagor's name on any draft or negotiable instrument drawn by any insurer. All such insurance policies shall be immediately assigned, pledged and delivered to Lender as further security for the Obligations. In the event of loss, Mortgagor shall immediately give Lender written notice and Lender is authorized to make

proof of loss. Each insurance company is directed to make payments directly to Lender instead of to Lender and Mortgagor. Any moneys received from any insurance shall be applied first to payment of Lender's attorneys fees and then, at Lender's option, to the payment of the Obligations or toward the cost of rebuilding and restoring the Property under controls specified by Lender. Any amounts may at Lender's option be applied in the inverse order of the due dates thereof.

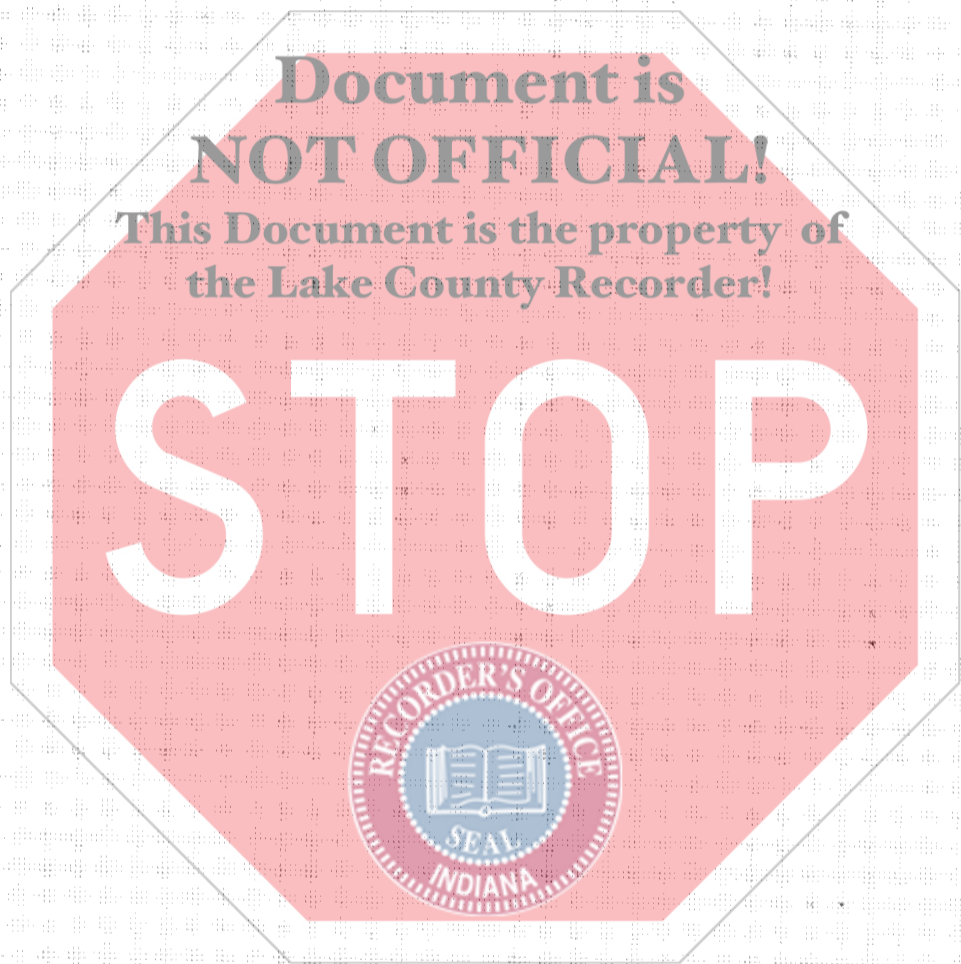
11. ZONING AND PRIVATE COVENANTS. Mortgagor shall not initiate or consent to any change in the zoning provisions or private covenants affecting the use of the Property without Lender's prior written consent. If Mortgagor's use of the Property is or becomes a nonconforming use under any zoning provision, Mortgagor shall not cause or permit such use to be discontinued or abandoned without the prior written consent of Lender. Mortgagor will immediately provide Lender with written notice of any proposed changes to the zoning provisions or private covenants affecting the Property.

12. CONDEMNATION. Mortgagor shall immediately provide Lender with written notice of any actual or threatened condemnation or eminent domain proceeding pertaining to the Property. All monies payable to Mortgagor from such condemnation or taking are hereby assigned to Lender which may, at its option, receive such proceeds to the extent of the Obligations, and shall be applied first to the payment of Lender's attorneys' fees, legal expenses and other costs (including appraisal fees) in connection with the condemnation or eminent domain proceedings and then, at the option of



19. RIGHTS OF LENDER ON EVENT OF DEFAULT. Upon the occurrence of an Event of Default under this Mortgage, Lender shall be entitled to exercise one or more of the following remedies without notice or demand (except as required by law):

- (a) to declare the Obligations immediately due and payable in full, such acceleration shall be automatic and immediate if the Event of Default is a filing under the Bankruptcy Code;
- (b) to collect the outstanding Obligations with or without resorting to judicial process;
- (c) to require Mortgagor to deliver and make available to Lender any personal property or Chattels constituting the Property at a place reasonably convenient to Mortgagor and Lender;
- (d) to enter upon and take possession of the Property without applying for or obtaining the appointment of a receiver and, at Lender's option, to the appointment of a receiver without bond, without first bringing suit on the Obligations and without otherwise meeting any statutory conditions regarding receivers, it being intended that Lender shall have this contractual right to the appointment of a receiver;
- (e) to employ a managing agent of the Property and let the same, in the name of Lender or in the name of Mortgagor, and receive the rents, incomes, issues and profits of the Property and apply the same, after payment of all necessary charges and expenses, on account of the Obligations;



24. POWER OF ATTORNEY. Mortgagor hereby appoints Lender as its attorney-in-fact to endorse Mortgagor's name on all instruments and other documents pertaining to the Obligations or Mortgage. In addition, Lender shall be entitled, but not required, to perform any action or execute any document required to be taken or executed by Mortgagor under this Mortgage. Lender's performance of such action or execution of such documents shall not relieve Mortgagor from any Obligation or cure any default under this Mortgage. The powers of attorney described in this Mortgage are coupled with an interest and are irrevocable.

25. SUBROGATION OF LENDER. Lender shall be subrogated to the rights of the holder of any previous lien, security interest or encumbrance discharged with funds advanced by Lender regardless of whether these liens, security interests or other encumbrances have been released of record.

26. COLLECTION COSTS. To the extent permitted by law, after default and referral to an attorney who is not Lender's salaried employee, Owner agrees to pay reasonable attorneys fees and costs, incurred by Lender in collecting any amount due or enforcing any right or remedy under this Mortgage whether or not suit is brought, including but not limited to, fees, and costs incurred for collection, enforcement, realization on collateral, construction, interpretation, and appearance in collection, bankruptcy, insolvency, reorganization, post-judgment, and appellate proceedings.

27. PARTIAL RELEASE. Lender may release its interest in a portion of the Property by executing and recording one or more partial releases without affecting its interest in the remaining portion of the Property. Nothing herein shall be deemed to obligate Lender to release any of its interest in the Property (except as required Paragraph 34), nor shall Lender be obligated to release any part of the Property if Mortgagor is in default under this Mortgage.

28. MODIFICATION AND WAIVER. The modification or waiver of any of Mortgagor's Obligations or Lender's rights under this Mortgage must be contained in a writing signed by Lender. Lender may perform any of Borrower's or Mortgagor's Obligations, delay or fail to exercise any of its rights or accept payments from Mortgagor or anyone other than Mortgagor without causing a waiver of those Obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Mortgagor's Obligations under this Mortgage shall not be affected if Lender amends, compromises, exchanges, fails to exercise, impairs or releases any of the Obligations belonging to any Mortgagor, Borrower or third party or any of its rights against any Mortgagor, Borrower or third party or any of the Property. Lender's failure to insist upon strict performance of any of the Obligations shall not be deemed a waiver and Lender shall have the right at any time thereafter to insist upon strict performance.

29. SUCCESSORS AND ASSIGNS. This Mortgage shall be binding upon and inure to the benefit of Mortgagor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees and devisees.

30. NOTICES. Except as otherwise required by law, any notice or other communication to be provided under this Mortgage shall be in writing and sent to the parties at the addresses described in this Mortgage or such other address as the parties may designate in writing from time to time. Any such notice so given and sent by first class mail, postage prepaid, shall be deemed given the earlier of three (3) days after such notice is sent or when received by the person to whom such notice is being given.

31. SEVERABILITY. Whenever possible, each provision of this Mortgage shall be interpreted so as to be effective and valid under applicable state law. If any provision of this Mortgage violates the law or is unenforceable, the rest of the Mortgage shall continue to be valid and enforceable.

32. APPLICABLE LAW. This Mortgage shall be governed by the laws of the state where the real property is located. Unless applicable law provides otherwise, Mortgagor consents to the jurisdiction and venue of any court selected by Lender, in its sole discretion, located in that state.

33. MISCELLANEOUS. Mortgagor and Lender agree that time is of the essence. Mortgagor waives presentment, demand for payment, notice of dishonor and protest except as required by law. All references to Mortgagor in this Mortgage shall include all persons signing below. If there is more than one Mortgagor, their Obligations shall be joint and several. This Mortgage represents the complete integrated understanding between Mortgagor and Lender pertaining to the terms and conditions hereof.

34. DEFEASANCE. Upon the payment and performance in full of all of the Obligations, Lender shall discharge this Mortgage and execute and deliver to Mortgagor those documents that may be required to release this Mortgage of record. Mortgagor shall be responsible to pay any costs of recordation.

35. WAIVER OF HOMESTEAD. To the extent permitted by law, Mortgagor hereby waives all homestead exemptions in the Property to which Mortgagor would otherwise be entitled under any applicable law.

36. JURY TRIAL WAIVER. LENDER AND MORTGAGOR HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY CIVIL ACTION ARISING OUT OF, OR BASED UPON, THIS MORTGAGE.

37. ADDITIONAL TERMS:

Mortgagor acknowledges that Mortgagor has read, understands, and agrees to the terms and conditions of this Mortgage, and acknowledges receipt of an exact copy of same.

Dated this 3RD day of NOVEMBER 2000

MORTGAGOR: RICHARD V. DORCH, SR.

MORTGAGOR: MARY JO DORCH

Richard V. Dorch Sr.
RICHARD V. DORCH, SR.

Mary Jo Dorch
MARY JO DORCH

MORTGAGOR:

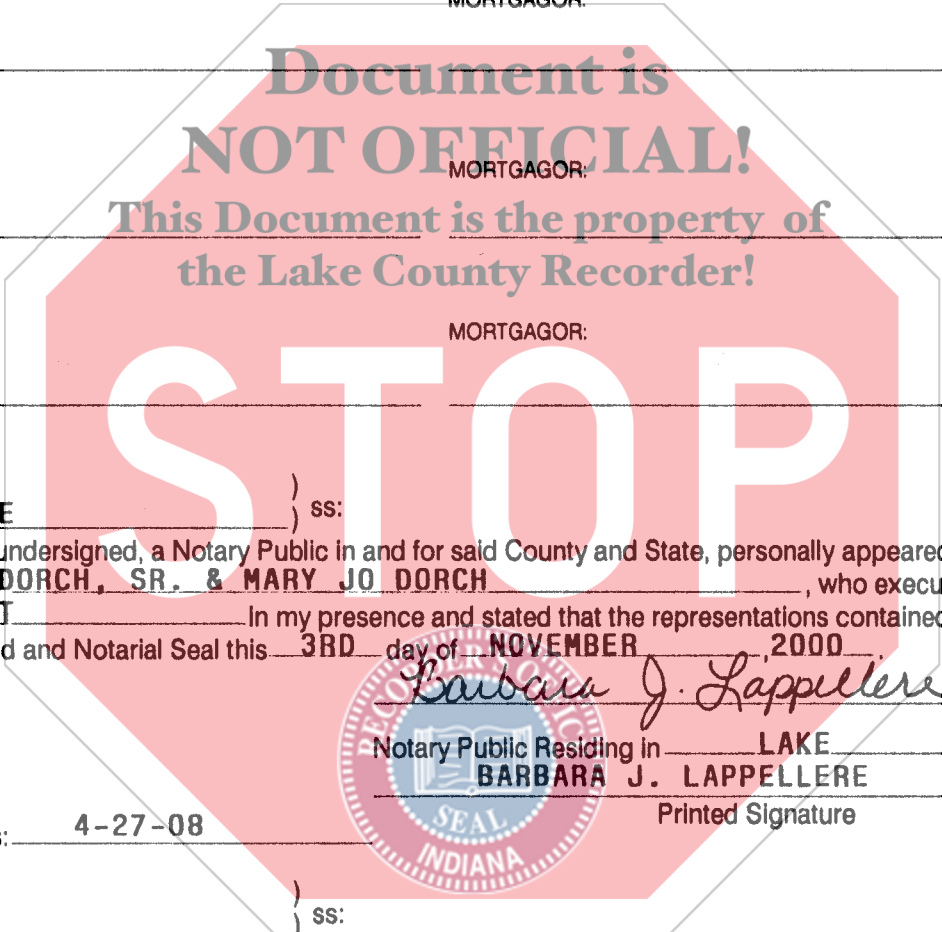
MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:

MORTGAGOR:



STATE OF INDIANA)
COUNTY OF LAKE) ss:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared RICHARD V. DORCH, SR. & MARY JO DORCH, who executed the foregoing LOAN DOCUMENT in my presence and stated that the representations contained therein are true.

Witness my hand and Notarial Seal this 3RD day of NOVEMBER, 2000

Barbara J. Lappellere
Notary Public Residing in LAKE County
BARBARA J. LAPPELLERE
Printed Signature

My Commission Expires: 4-27-08

STATE OF INDIANA)
COUNTY OF _____) ss:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, who executed the foregoing _____ in my presence and stated that the representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

Notary Public Residing In _____ County

Printed Signature

My Commission Expires: _____

STATE OF INDIANA)
COUNTY OF _____) ss:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, the _____ of _____, a(n) _____, who executed the foregoing _____ for and on behalf of said _____ in my presence and stated that the representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

Notary Public Residing In _____ County

Printed Signature

My Commission Expires: _____

STATE OF INDIANA)
COUNTY OF _____) ss:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared _____, the _____ of _____, a(n) _____, who executed the foregoing _____ for and on behalf of said _____ in my presence and stated that the representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

Notary Public Residing in _____ County

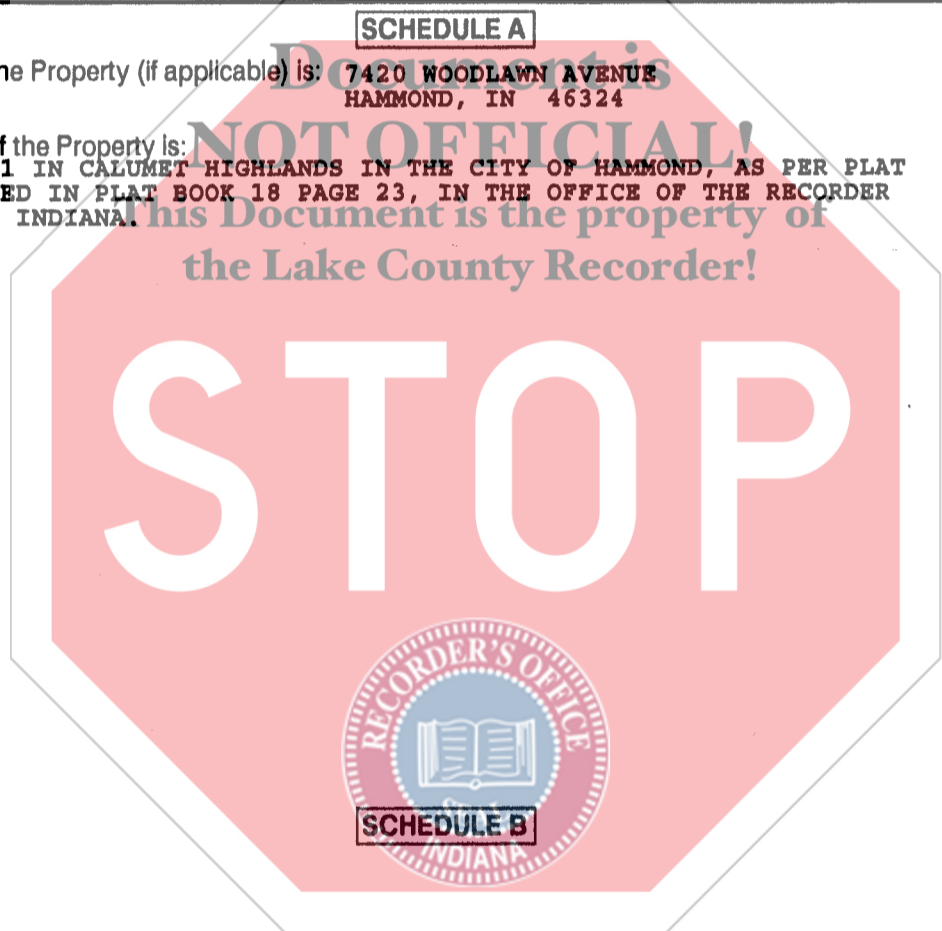
My Commission Expires: _____

Printed Signature

SCHEDULE A

The street address of the Property (if applicable) is: **7420 WOODLAWN AVENUE
HAMMOND, IN 46324**

The legal description of the Property is: **LOT 5 IN BLOCK 1 IN CALUMET HIGHLANDS IN THE CITY OF HAMMOND, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 18 PAGE 23, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.**



**THIS DOCUMENT WAS PREPARED BY:
AFTER RECORDING RETURN TO:**

MICHELLE L. NORMAN

**Mercantile National Bank of Indiana
200 W Ridge Rd., P.O. Box 599
Griffith, IN 46319**