

Chicago Title Insurance Company

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**ROLLOVER REAL ESTATE MORTGAGE**

THIS ROLLOVER REAL ESTATE MORTGAGE ("Security Instrument") is given on APRIL 12, 2002

The mortgagor is WESLEY N. JENKINS AND MARJORIE L. JENKINS, HUSBAND AND WIFE

whose principal address is 12606 MAGOUN ST., CEDAR LAKE, IN 46303

("Borrower"). This Security Instrument is given to DeMotte State Bank of Jasper County, Indiana, which is organized and existing under the laws of Indiana, and whose address is 9603 W. 133RD AVE. P.O. BOX 683, CEDAR LAKE

IN 46303

("Lender"). Borrower owes Lender the principal sum of

ONE HUNDRED THIRTY FOUR THOUSAND AND 00/100-----Dollars

(U.S.\$ 134,000.00 ) which if not paid earlier is due and payable on APRIL 12, 2022

This debt is evidenced by Borrower's Rollover Mortgage Note dated the same date as this Security Instrument, together with all renewals, replacements, extensions and modifications thereof ("Note"), which provides for monthly payments of principal and interest during the initial loan period of ONE THOUSAND ONE HUNDRED AND 07/100-----Dollars (\$1,100.07 ), as provided by the terms, conditions, and covenants of the Note.

**STOP**  
This Document is the property of the Lake County Recorder!

The Note further provides for an initial interest rate which may be increased or decreased every thirty-six (36) months, subject to the agreement of Borrower and Lender. The rate of interest cannot be changed by more than one percentage point (1%) per year at which rate change, nor more than five percentage points (5%) above or below the initial interest rate over the loan term. Net increases in the interest rate may result in higher payments, an increase in the number of payments, or both. Net decreases in the interest rate will result in lower payments.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals extensions and modifications; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in LAKE County, Indiana:

THE WEST 260 FEET OF THE EAST 310 FEET OF TRACT 5 AND THE WEST 260 FEET OF TRACT 4, (EXCEPT THE SOUTH 10 FEET OF TRACT 4) IN HILLCREST, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 66, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

which has the address of 11218 WICKER AVE., CEDAR LAKE, IN 46303

(Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, rights, appurte-

94-82030 Commercial

BD  
31,000  
CT

nances, rents, royalties, mineral, oil and gas rights and profits, water rights and stock and all fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument as the "Property."

**BORROWER COVENANTS** that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest; Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any prepayment and late charges due under the Note.

2. **Funds for Taxes and Insurance.** Subject to applicable law or to a waiver by Lender, Borrower shall pay to Lender on the day monthly payments are due under the Note, until the Note is paid in full, a sum ("Funds") equal to one-twelfth of: (a) yearly taxes and assessments which may attain priority over this Security Instrument; (b) yearly leasehold payments or ground rents on the Property, if any; (c) yearly hazard insurance premiums; and (d) yearly mortgage insurance premiums, if any. These items are called "escrow items." Lender may, at any time, collect and hold Funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Borrower's escrow account under the federal Real Estate Settlement Procedures Act of 1974 as amended from time to time, 12 U.S.C. § 2601 et seq. ("RESPA"), unless another law that applies to the Funds sets a lesser amount. If so, Lender may, at any time, collect and hold Funds in an amount not to exceed the lesser amount. Lender may estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future escrow items or otherwise in accordance with applicable law.

The Funds shall be held in an institution the deposits or accounts of which are insured or guaranteed by a federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay the escrow items. Lender may not charge for holding and applying the Funds, analyzing the account or verifying the escrow items, unless Lender pays Borrower interest on the funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing that interest shall be paid on the Funds. Unless an agreement is made or applicable law requires interest to be paid, Lender shall not be required to pay Borrower any interest on earnings on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The funds are pledged as additional security for the sums secured by this Security Agreement.

If the amount of the Funds held by Lender, together with the future monthly payments of Funds payable prior to the due dates of the escrow items, shall exceed the amount required to pay the escrow items when due, the excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly payments of Funds. If the amount of the Funds held by Lender is not sufficient to pay the escrow items when due, Borrower shall pay to Lender any amount necessary to make up the deficiency in one or more payments as required by Lender.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender. If under paragraph 19 the Property is sold or acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

3. **Application of Payments.** Unless applicable law provides otherwise, all payment received by Lender under paragraphs 1 and 2 shall be applied: first, to late charges due under the Note; second, to prepayment charges due under the Note; third, to amounts payable under paragraph 2; fourth, to interest due; and last, to principal due.

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations in the manner provided in paragraph 2, or if not paid in the manner, Borrower shall pay them on time directly to the person owed payment. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this paragraph. If Borrower makes these payments directly, Borrower shall promptly furnish to Lender receipts evidencing the payments.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or taken one or more of the actions set forth above within 10 days of the giving of notice.

5. **Hazard Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards 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 Borrower subject to Lender's approval which shall not be unreasonably withheld.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower 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 Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender'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 Borrower. If Borrower abandons the Property, or does not answer within 30 days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender 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 Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of the payments. If under paragraph 19 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from 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. **Preservation and Maintenance of Property.** Borrower shall establish and use the Property as a \_\_\_\_\_, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgement could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such a default and reinstate, as provided in paragraph 18, by causing the action or proceeding to be dismissed with a ruling that, in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's use of the Property. If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

7. **Protection of Lender's Rights in the Property; Mortgage Insurance.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

If Lender required mortgage insurance as a condition of making the loan secured by this Security Instrument, Borrower shall pay the premiums required to maintain the mortgage insurance in effect until such time as the requirement for the insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

8. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraphs 1 and 2 or change the amount of such payments.

**10. Borrower Not Released; Forbearance By Lender Not A Waiver.** Extension of the time for payment or modification or amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of borrower or Borrower's successors in interest shall not operate to release the liability of the original Borrower or Borrower's Successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

**11. Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 17. Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

**12. Loan Charges.** If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the note.

**13. Legislation Affecting Lender's Rights.** If enactment or expiration of applicable laws has the effect of rendering any provision of the Note or this Security Instrument unenforceable according to its terms, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument and may invoke any remedies permitted by paragraph 19. If Lender exercises this option, Lender shall take the steps specified in the second paragraph of paragraph 17.

**14. Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

**15. Governing Law; Severability.** This Security Instrument 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 Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provisions. To this end the provisions of this Security Instrument and the Note are declared to be severable.

**16. Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Agreement.

**17. Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without Lender's prior written consent, Lender may, as its option, require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the

date of this Security Instrument.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

18. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of: (a) 5 days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgement enforcing this Security Instrument. Those conditions are that Borrower (a) pays Lender all sums which then would be due under the Security Instrument and the Note had no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require in the Property and Borrower's obligation to pay the sums secured by this Security Instrument shall continue unchanged. Upon reinstatement by Borrower, this Security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraphs 13 or 17.

19. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal of other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 19, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 19, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

20. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraphs 13 and 17 unless applicable law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 19, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

21. **Lender in Possession.** Upon acceleration under paragraph 19 or abandonment of the Property, Lender (by judicially appointed receiver) shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Security Instrument.

22. **Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower.

23. **Waiver of Valuation and Appraisal.** Borrower waives all right of valuation and appraisal.

24. **Riders to this Security Instrument.** If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider (s) were a part of this Security Instrument.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any rider (s) executed by Borrower and recorded with it.

Wesley N. Jenkins (seal)  
Borrower WESLEY N. JENKINS

Social Security Number \_\_\_\_\_

Marjorie L. Jenkins (seal)  
Borrower MARJORIE L. JENKINS

Social Security Number \_\_\_\_\_

STATE OF INDIANA

COUNTY OF LAKE

SS:

**Document is NOT OFFICIAL!**

This Document is the property of the Lake County Recorder

Before me, the undersigned, a Notary Public in and for said State and County, personally appeared WESLEY N. JENKINS AND MARJORIE L. JENKINS, HUSBAND AND WIFE and acknowledged execution of the foregoing instrument.

Witness my hand and seal this 12TH day of APRIL, 2002.

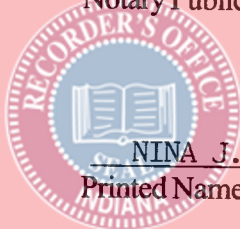
My commission expires:

JANUARY 6, 2008

Nina J. Lacy  
Notary Public

County of Residence:

LAKE



NINA J. LACY  
Printed Name

This Instrument was prepared by: DANIEL J. RYAN, EX. V.P. & LOAN ADMIN.

**DEMOTTE STATE BANK**  
**DeMotte, Indiana 46310**

**ROLLOVER MORTGAGE NOTE**

U.S. \$ 134,000.00 DeMotte, Indiana  
APRIL 12, 2002

Loan No. 440291

1. **FOR VALUE RECEIVED**, the undersigned ("Borrower") promises to pay to DeMotte State Bank, or order, at DeMotte, Indiana, or at such other place as the holder of this Note ("Holder") may designate, the principal sum of ONE HUNDRED THIRTY FOUR THOUSAND AND 00/100 Dollars (\$ 134,000.00) with interest from APRIL 12, 2002 on the decreasing balance of said principal sum until paid; and to pay said principal sum and interest in installments as follows:

- (a) **Initial Loan Period.** Borrower shall pay the sum of ONE THOUSAND ONE HUNDRED AND 07/100 Dollars (\$1,100.07) on the 12TH day of MAY, 2002 and on the 12TH day of each of the next thirty-five (35) successive calendar months thereafter, such period of time being referred to hereinafter as the "Initial Loan Period". Such installments shall represent payment of principal and interest at an annual rate of SEVEN AND THREE QUARTERS percent (7.75 %) on the unpaid principal balance. Such interest rate shall be referred to hereinafter as the "Initial Interest Rate". The interest rate is based on the overall cost of funds at DeMotte State Bank and there is no index or margin utilized to determine the interest rate. Therefore, the determination of the interest rate should be considered to be set at the discretion of DeMotte State Bank.
- (b) **Succeeding Loan Periods.** Each succeeding period of thirty-six (36) successive calendar months shall be referred to as a "Loan Period". Within five (5) days after the due date of the final installment of the Initial Loan Period or the preceding Loan Period, whichever is applicable, the Borrower and the Holder shall renegotiate the interest rate and amortization period of this Note, subject to the following conditions.
  - (i) The Holder shall offer the Borrower an interest rate for the next Loan Period which is in no event higher or lower than the interest rate for the Initial Loan Period or the preceding Loan Period, whichever is applicable, by more than one percent (1%) for each year of such Loan Period; provided, however, that in no event shall the new interest rate be more than five percent (5%) higher or lower than the Initial Interest Rate.
  - (ii) At the option of the Holder, upon the Borrower's request, the amortization period of this Note may be extended for purposes of calculating monthly payments on this Note up to an aggregate maximum of one-third (1/3) of the original term of this Note; provided, however, that to the extent of any such extension, the amortization period shall be reduced upon a subsequent downward adjustment in the interest rate.
  - (iii) Any adjustments shall be made without administrative charges to the Borrower.
  - (iv) At the option of the Holder, the Borrower may be required to execute a Replacement Rollover Mortgage Note. Provided, however, that if a Replacement Rollover Mortgage Note is not executed, the obligations evidenced by this Note shall continue in full force and effect subject to the renegotiated terms as provided above.

(v) If the Borrower and the Holder cannot agree upon an interest rate or amortization period, the Borrower may repay the outstanding balance of this Note with interest at the rate payable during the Initial Loan Period or prior Loan Period, whichever is applicable, without penalty or assessment at any time prior to the due date of the first monthly installment of the next Loan Period.

(c) **Amortization Period.** The total amortization period of this Note is TWO HUNDRED FORTY  
( 240 ) months, subject to extension or reduction as provided above.

2. If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to the Borrower, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of the Holder. The date specified shall not be due and payable at the option of the Holder. The date specified shall not be less than thirty (30) days from the date such notice is mailed. The Holder may exercise this option to accelerate during any default by the Borrower regardless of any prior forbearance. If suit is brought to collect this Note, the Holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorney's fees.
3. If the Borrower fails to pay a monthly installment within ten (10) days of the date it is due, Borrower agrees to pay a late charge equal to the greater of five percent (5%) of the late installment or \$13.00.
4.
  - (a) The Borrower may repay the principal amount outstanding in whole or in part. The Borrower shall give notice to the Holder that a prepayment, in whole or in part, is being made. The Holder may require that any prepayments be made on the date monthly installments are due, and be in the amount of that part of one or more monthly installments which would be applicable to principal.
  - (b) Each prepayment shall be applied to principal but the Borrower shall continue to pay installments of principal and interest in the amounts and at the times required in this Note until principal and interest of this Note are paid in full.
5. If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then:
  - (a) Any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and
  - (b) Any sums already collected from the Borrower which exceed permitted limits will be refunded to the Borrower. The Holder may choose to make this refund by reducing the principal owed by Borrower under this Note or making a direct payment to the Borrower. If a refund reduces the principal, the reduction will be treated as a partial prepayment.
6. Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorses hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorses, and shall be binding upon them and their successors and assigns.
7. Any notice to the Borrower provided for in this Note shall be given by mailing such notice by certified mail addressed to the Borrower at the Property Address stated below or to such other address as the Borrower may designate by notice to the Holder. Any notice to the Holder shall be given by mailing such notice by certified mail, return receipt requested, to the Holder at the address stated in the first paragraph of this Note, or at such other address as may have been designated by notice to the Borrower.
8. This note is secured by a real estate mortgage and security agreement, if applicable, concurrently executed, and reference is made to that mortgage and security agreement for rights as to acceleration of the indebtedness evidenced by this note.



*Wesley N. Jenkins* (Seal)  
Borrower WESLEY N. JENKINS

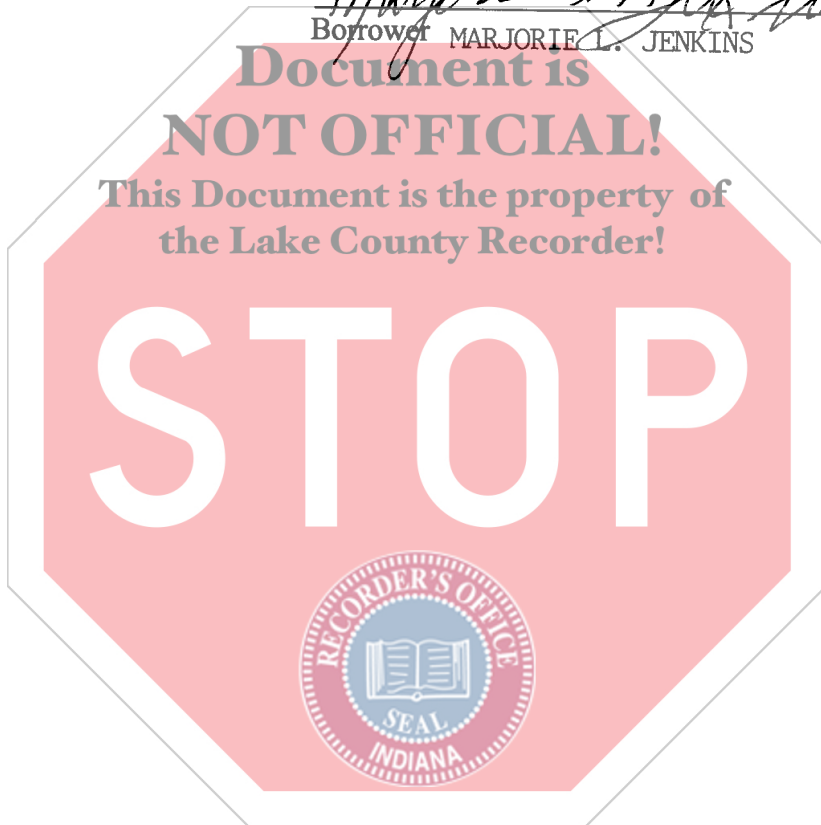
By: \_\_\_\_\_

Printed: \_\_\_\_\_

Title: \_\_\_\_\_

11218 WICKER AVE., CEDAR LAKE, IN 46303  
Property Address

*Marjorie L. Jenkins* (Seal)  
Borrower MARJORIE L. JENKINS



**NON-OWNER OCCUPANCY RIDER**

THIS NON-OWNER OCCUPANCY RIDER is made this 12TH day of APRIL, 2002, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to DEMOTTE STATE BANK, CEDAR LAKE BANKING CENTER, 9603 W. 133RD AVE., P. O. BOX 683, CEDAR LAKE, IN 46303 (the "Lender") of the same date, and covering the Property described in the Security Instrument and located at: 11218 WICKER AVE., CEDAR LAKE, IN 46303

[Property Address]

In modification of and notwithstanding the provisions of Section 6 of the Security Instrument, Borrower represents that (s)he does not intend to occupy the property described in the Security Instrument as a principal residence.



BY SIGNING BELOW, Borrower agrees to the representations contained in this Non-Owner Occupancy Rider.

WESLEY N. JENKINS

(SEAL)  
Borrower

MARJORIE L. JENKINS

(SEAL)  
Borrower

**1-4 FAMILY RIDER**  
**(Assignment of Rents)**

THIS 1-4 FAMILY RIDER is made this .....12TH..... day of APRIL, 2002....., and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Note to DEMOTTE STATE BANK, CEDAR LAKE BANKING CENTER, 9603 W. 133RD AVE., P. O. BOX 683, CEDAR LAKE, IN. 46303..... (the "Lender") of the same date and covering the Property described in the Security Instrument and located at: 11218 WICKER AVE., CEDAR LAKE, IN. 46303.....  
[Property Address]

**1-4 FAMILY COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

**A. ADDITIONAL PROPERTY SUBJECT TO THE SECURITY INSTRUMENT.** In addition to the Property described in Security Instrument, the following items now or hereafter attached to the Property to the extent they are fixtures are added to the Property description, and shall also constitute the Property covered by the Security Instrument: building materials, appliances and goods of every nature whatsoever now or hereafter located in, on, or used, or intended to be used in connection with the Property, including, but not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, fire prevention and extinguishing apparatus, security and access control apparatus, plumbing, bath tubs, water heaters, water closets, sinks, ranges, stoves, refrigerators, dishwashers, disposals, washers, dryers, awnings, storm windows, storm doors, screens, blinds, shades, curtains and curtain rods, attached mirrors, cabinets, paneling and attached floor coverings, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by the Security Instrument. All of the foregoing together with the Property described in the Security Instrument (or the leasehold estate if the Security Instrument is on a leasehold) are referred to in this 1-4 Family Rider and the Security Instrument as the "Property."

**B. USE OF PROPERTY; COMPLIANCE WITH LAW.** Borrower shall not seek, agree to or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Borrower shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property.

**C. SUBORDINATE LIENS.** Except as permitted by federal law, Borrower shall not allow any lien inferior to the Security Instrument to be perfected against the Property without Lender's prior written permission.

**D. RENT LOSS INSURANCE.** Borrower shall maintain insurance against rent loss in addition to the other hazards for which insurance is required by Section 5.

**E. "BORROWER'S RIGHT TO REINSTATE" DELETED.** Section 19 is deleted.

**F. BORROWER'S OCCUPANCY.** Unless Lender and Borrower otherwise agree in writing, Section 6 concerning Borrower's occupancy of the Property is deleted.

**G. ASSIGNMENT OF LEASES.** Upon Lender's request after default, Borrower shall assign to Lender all leases of the Property and all security deposits made in connection with leases of the Property. Upon the assignment, Lender shall have the right to modify, extend or terminate the existing leases and to execute new leases, in Lender's sole discretion. As used in this paragraph G, the word "lease" shall mean "sublease" if the Security Instrument is on a leasehold.

**H. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION.** Borrower absolutely and unconditionally assigns and transfers to Lender all the rents and revenues ("Rents") of the Property, regardless of to whom the Rents of the Property are

Form 3170 1/01



MULTISTATE 1-4 FAMILY RIDER—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Bankers Systems, Inc., St. Cloud, MN Form 1-4 FAM-R 8/29/2000

(page 1 of 2 pages)

K A 2 A  
*[Handwritten signatures]*

MULTISTATE 1-4 FAMILY RIDER—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

..... MARJORIE L. JENKINS  
-Borrower (Seal)

..... WESLEY N. JENKINS  
-Borrower (Seal)

BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this 1-4 Family Rider.

Lender may invoke any of the remedies permitted by the Security Instrument and agreement in which Lender has an interest shall be a breach under the Security Instrument and terminate when all the sums secured by the Security Instrument are paid in full.

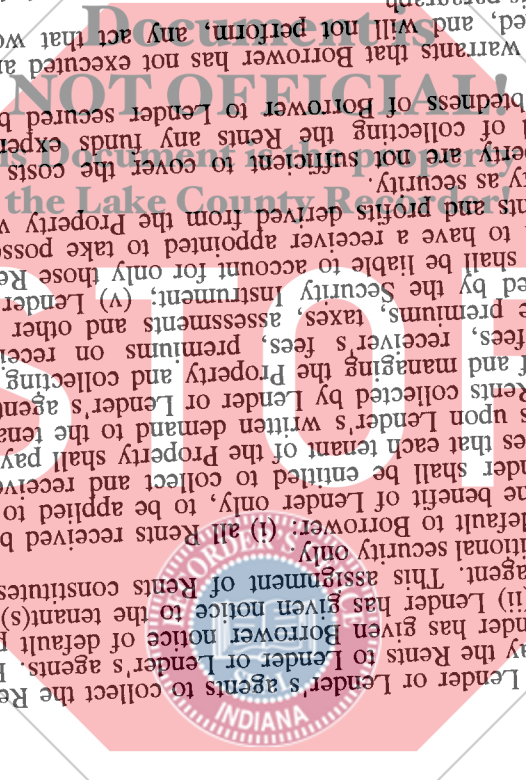
**I. CROSS-DEFAULT PROVISION.** Borrower's default or breach under any note or any time when a default occurs. Any application of Rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of Rents of the Property shall upon, take control of or maintain the Property before or after giving notice of default to Lender, or Lender's agents or a judicially appointed receiver, shall not be required to enter exercising its rights under this paragraph.

Rents and has not performed, and will not perform, any act that would prevent Lender from Borrower represents and warrants that Borrower has not executed any prior assignment of the purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument pursuant to Section 9.

If the Rents of the Property are not sufficient to cover the costs of taking control of and managing the Property and of collecting the Rents any funds expended by Lender for such purposes shall become indebtedness of Borrower to Lender secured by the Security Instrument the inadequacy of the Property as security.

Property and collect the Rents and profits derived from the Property without any showing as to (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the judicially appointed receiver shall be liable to account for only those Rents actually received; and and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and the costs of taking control of and managing the Property and collecting the Rents, including, but to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (i) all Rents received by Borrower shall be held

and not an assignment for additional security only. If Lender gives notice of default to Borrower; (i) all Rents received by Borrower shall be held by Borrower as trustee for the benefit of Lender only, to be applied to the sums secured by the Security Instrument; (ii) Lender shall be entitled to collect and receive all of the Rents of the Property; (iii) Borrower agrees that each tenant of the Property shall pay all Rents due and unpaid to Lender or Lender's agents upon Lender's written demand to the tenant; (iv) unless applicable law provides otherwise, all Rents collected by Lender or Lender's agents shall be applied first to the costs of taking control of and managing the Property and collecting the Rents, including, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, repair and maintenance costs, insurance premiums, taxes, assessments and other charges on the Property, and then to the sums secured by the Security Instrument; (v) Lender, Lender's agents or any judicially appointed receiver shall be liable to account for only those Rents actually received; and (vi) Lender shall be entitled to have a receiver appointed to take possession of and manage the Property and collect the Rents and profits derived from the Property without any showing as to the inadequacy of the Property as security.



payable. Borrower authorizes Lender or Lender's agents to collect the Rents, and agrees that each tenant of the Property shall pay the Rents to Lender or Lender's agents. However, Borrower shall receive the Rents until (i) Lender has given Borrower notice of default pursuant to Section 22 of the Security Instrument and (ii) Lender has given notice to the tenant(s) that the Rents are to be paid to Lender or Lender's agent. This assignment of Rents constitutes an absolute assignment