

**HOME EQUITY  
REAL ESTATE  
MORTGAGE**

Bank Calumet, N.A.  
PERSONAL LOANS  
5231 HOHMAN AVENUE  
P. O. BOX 69  
HAMMOND, INDIANA 46325

2003 107320

SEARCHED  
INDEXED  
FILED  
10/20/03  
10/20/03  
10/20/03  
10/20/03

2003-07-110-32

The above space is for recorder's use only.

This Mortgage made this 17th day of SEPTEMBER, 20 03 by and between **JEROME T. PAUCAK AND BERNADETTE M. PAUCAK, AS TRUSTEES,** **UNDER THE PROVISIONS OF THE PAUCAK LIVING TRUST, DATED** FEBRUARY 23, 1998 **of** **HIGHLAND, INDIANA** (herein-after "Mortgagor") and Bank Calumet, National Association, 5231 Hohman Avenue, Hammond, Indiana 46325 (hereinafter "Mortgagee").

**WITNESSETH:**

That the Mortgagor and Mortgagee have entered into a certain Home Equity Line of Credit Agreement (hereinafter "Agreement"), dated, SEPTEMBER 17th 20 03, and a Home Equity Line of Credit Promissory Note (hereinafter "Note") whereby the Mortgagee, subject to default by Mortgagor, has obligated itself to loan monies to the Mortgagor from time to time, as requested by the Mortgagor, which may not exceed the aggregate principal sum of: \_\_\_\_\_

**ONE HUNDRED THOUSAND AND 00/00**

**(\$ 100,000.00)**

at any one time for a period of ten (10) years. To the extent that the Mortgagor has borrowed or will borrow monies from the Mortgagee pursuant to said Agreement, the Mortgagor has agreed to pay the Mortgagee minimum monthly installments in a sum equal to two (2%) percent of the new balance, or \$100.00, or the FINANCE CHARGE accrued for the month, whichever is greater.

That the interest rate charged for any monies loaned to Mortgagor by Mortgagee pursuant to said Agreement and said note is based upon an Index Rate equal to the average weekly Bank Prime Loan Rate as published in Federal Reserve Statistical Release H15 plus a Margin of 0 %. The interest rate charged is a variable one and will increase or decrease in the event that the Index Rate increases or decreases from the previous Index. The interest rate as computed is changed once a month on the first day of each Billing Cycle, which is monthly, and will remain in effect until the first day of the next Billing cycle. The FINANCE CHARGE is determined by applying the daily periodic rate to the Average Daily Balance for the Billing Cycle. The interest rate shall not be in excess of that permitted by law.

That any changes in the interest rate are mandatory pursuant to said Agreement and any increase therein can reduce the amount of any payment by the Mortgagee that is applied to principal and increase the amount applied to interest. The monthly payments required by said Agreement and said Note may not therefore fully amortize the Mortgagor's loan balance within the ten (10) year term of the Agreement, and at the end of said ten (10) year term the entire principal balance and unpaid interest shall be immediately due and owing by the Mortgagor.

THAT THE RECORDING OF THIS MORTGAGE BY THE MORTGAGEE, IN ADDITION TO GIVING CONSTRUCTIVE AND PUBLIC NOTICE TO ALL THIRD PARTIES OF THE LIEN RIGHTS OF THE MORTGAGEE IN THE MORTGAGED PROPERTY, IS ALSO DONE TO INFORM ALL SUBSEQUENT LIENHOLDERS, WHETHER THEY BE CONSENSUAL, JUDICIAL, OR STATUTORY, THAT THE MORTGAGEE'S OBLIGATION TO ADVANCE FUNDS TO THE MORTGAGOR IS MANDATORY PURSUANT TO SAID AGREEMENT, SUBJECT TO DEFAULT BY THE MORTGAGOR, AND THAT ANY AND ALL FUTURE ADVANCES MADE BY THE MORTGAGEE TO THE MORTGAGOR PRIOR OR SUBSEQUENT TO ANY OTHER LIEN BEING PLACED AGAINST THE MORTGAGED PROPERTY SHALL BE DONE BY ANY SUCH LIENHOLDER WITH PRIOR NOTICE TO IT OF THE MORTGAGEE'S OBLIGATION TO ADVANCE MONIES TO THE MORTGAGOR PURSUANT TO SAID AGREEMENT.

PJ  
281913

Major shall pay from time to time, when due, and before any penalties attaches, all water and sewer charges and taxes, and all other public charges imposed or respect to the use, occupancy or possession thereof. Mortagor shall promptly, except as provided in paragraph 10, pay all taxes, assessments or charges of any kind, bills and statements received by Mortagor of amounts so due, all notices, demands, bills and statements received by Mortagor or chargeable to the validity of any tax, assessment or charge provided Mortagor pays the same; the validity of any tax, assessment or charge provided Mortagor pays the same.

**GAGE.** Mortgagee covenants that Mortgagor is lawfully seized of the estate hereby and, convey and assign the Property, and the Mortgagor will warrant and defend all claims and demands, subject to any liens, easements, covenants, conditions and exceptions to coverage in any title insurance policy insuring Mortgagor's interest in the property.

elements, and tenements now or hereafter erected on the property, and all easements, fixtures, and cures and street privileges, rents, issues, profits, royalties, mineral, rigbts and water stock appurtenant to the property," and all fixtures, equipment, building materials of every kind or nature whatsoever now or hereafter located in, or situated with the Real Estate, including, but not limited to, those for the purpose of utilitizing, power, electricity, gas, air, water and light; and all blinds, shades, curtains, furniture, awnings, storm windows, doors, storm doors, screens, antennas, and remain a part of the real estate covered by this instrument whether specifically described or not, and all other fixtures and communication systems, all of which, including replacements, and all of the foregoing together with said Real Estate are herein referred to as "Real Estate".

# **Document is NOT OFFICIAL!**

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

OF LOT 418 IN LAKESIDE SECTION ADDITION TO THE TOWN OF HANCOCK,  
PAGE 21, IN THE OFFICE OF THE RECORDER OF LAKE

aggee the repayment of (A) any and all indebtedness or liabilities to Mortgagee as together with any extensions or renewals thereof, and any other instrument given in payment of any indebtedness arising out of said Agreement; (B) any and all hereafter incurred by Mortgagee, whether joint or several, primarily whether or not related to or of the same class as the specific debt herein with the exception of any other indebtedness for personal, family or household purposes, including a mobile home; (C) the payment of all other sums principal and (D) the performance of all covenants and agreements of the Mortgagor to the Mortgagee and WARRANT unto the Mortgagee, its successors and assigns, in County, Indiana, to wit:

MORTGAGE BY THIS CLAUSE, AND THE RECORDING OF THIS MORTGAGE, DEALING WITH THE MORTGAGOR OR THE MORTGAGED PROPERTY, OF A PRIOR LIEN AS TO ANY AND ALL SUBSEQUENT LIENHOLDERS OR ALL LOANS AND ADVANCES MADE BY THE MORTGAGEE; OF THE MORTGAGE PURSUANT TO SAID AGREEMENT AND A REASONABLE ATTORNEY'S FEE, COSTS OF COLLECTION, AND A REASONABLE ATTORNEY'S FEE, ARE MADE PRIOR TO OR AFTER ANY SUCH LIEN WHICH MAY BE

**3. INSURANCE.** Mortgagor shall keep all buildings and improvements now existing or here after erected or situated on the Property insured against fire, lightning, windstorm, vandalism, malicious damages, 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 by 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 said policy shall not be cancellable 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 that the Mortgagee is obligated to loan to the Mortgagor pursuant to said Agreement secured hereby. The Mortgagee shall deliver the original of any such policy to the Mortgagor 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 there from 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 to take 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 Instrument, whether or not then due with the balance, if any, to Mortgagor. Any such application of the proceeds shall not extend or postpone the due dates of the payments or change the amounts of such installments provided by said Agreement. If the Property is sold pursuant to paragraph 12 hereof 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. 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 judgement 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, (g) 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 Instrument or the rights or powers of Mortgagee.

**5. 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 Instrument was executed. Mortgagor shall not initiate or acquiesce to a change in the zoning classification of the Property without Mortgagee's prior written consent.

**6. PROTECTION OF MORTGAGEE'S SECURITY.** If Mortgagor fails to perform any of the covenants and agreements contained in this Instrument or in the Note, Agreement, or any Security Agreement, or if any action or proceeding is commenced which affects the Property or 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 6 shall become an additional indebtedness of Mortgagor secured by this Instrument. Such amounts shall be immediately due and payable and shall bear interest from the date of disbursement at the rate stated in the Agreement. 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 6 shall require Mortgagee to incur any expense or take any action hereunder. If Mortgagee makes any payment authorized by this paragraph 6, 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 Mortgagor shall not be deemed a waiver of Mortgagee's right to accelerate the maturity of the indebtedness secured by this Instrument and declare this Instrument 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.

"Mortgagor", as used herein shall include all persons executing this mortgage and  
their successors and assigns. The singular shall mean the plural and the plural shall  
under shall be applicable to all genders. (iii) Any forbearance by Mortgagor in  
otherwise affording by applicable law or equity, shall not be a waiver of or preclude

**13. MISCELLANEOUS:** (i) The word "Mortgagee" shall mean its representative singular and the use of "ar" mean the right or remedy hereunder exercising any

The Mortgagor shall also be entitled to fees, incurred by Mortgagee in connection with proceedings to which the Mortgagee may be entitled in respect of any indebtedness to which the Mortgagee may be entitled.

12. DEFALT:ACCELERATION: instrument of Mortgage in this instrument, instrument or the default by Mortgagee, Agreedement, or the secured hereby, or in the Note. Agreedement, or the default by Mortgagee, instrument of Mortgage in this instrument, may declare all of the sums secured by foreclose this instrument by judicial proceeding. Mortgagor shall be entitled to limited to, attorney's fees, appraisal fee

located and spread over the statement term of the Agreement and Note.

constitute interest, shall be deemed to

TY. This instrument shall be governed and enforced by the laws of the State of  
m of a law of the United States or a regulation promulgated by an agency  
ve or enforce certain provisions in this instrument than in that event the Mortgagee  
stument enforced in accordance with the laws of the United States. In the event  
s agreement conflicts with applicable laws, such conflict shall not affect other  
nt of Note which can be given effect without the conflicting provisions, and to this  
ne Agreement. The Note is given effect notwithstanding the conflict.  
ut of Note which can be given effect without the conflicting provisions, and to this  
e Agreement. The Note is given effect notwithstanding the conflict.  
nt or Note which can be given effect without the conflicting provisions, and to this  
e Agreement. The Note is given effect notwithstanding the conflict.  
s well as all other charges levied in connection with such indebtedness which  
edness which is secured by this instrument or evidenced by the Agreement and  
law limiting the amount of interest or other charges permitted to be collected  
nspal of the indebtedness evidenced by the Agreement and the Note. For the  
of the amounts payable to Mortgagee pursuant to such charges as reduced shall  
by reduced to the extent necessary to eliminate such violation. The amounts, if  
ment, the Agreememt or Note whether considered separately or together with other  
in the Agreememt or Note whether considered separately from Mortgagee is interpreted so that  
or other charges permitted to be collected from Mortgagee is interpreted so that any  
the Agreememt or Note are declared to be severable. In the event that any  
ne Agreememt or Note which applies to the conflict without the conflicting provisions, and to this  
ne Agreememt or Note which can be given effect without the conflicting provisions, and to this  
e Agreement. The Note is given effect notwithstanding the conflict.  
ut of Note which can be given effect without the conflicting provisions, and to this  
e Agreement. The Note is given effect notwithstanding the conflict.  
s well as all other charges levied in connection with such indebtedness which

11. GOVERNING LAW: SEVERA  
Indiana except where the Mortgagee by  
supervising the Mortgagee is permitted  
may elect to have those provisions of the  
mortgage to have those provisions of the  
mortgage that any provision of this instrument  
provisions of this instrument or the  
and the provisions of this instrument  
applicable law limiting the amount of interest  
any charge provided for in this instrument  
charges levied in connection with this  
the benefit of such law, such charge is  
any, previously paid to Mortgagee in ex-  
be applied by Mortgagee to reduce the  
purpose of determining whether any at-  
from Mortgagor has been violated, all in  
the Note and which constitutes intere-

[Define the provisions hereof.](#)

only and are not to be used to interpret

**UND; JOINT AND SEVERAL LIABILITY; AGENTS; CAPTIONS.** The covenants  
and agreements of the Mortgagor shall induce to the benefit of its payee, holders,  
successors and assigns of Mortgagor, subject to the provisions  
of the respective successors and assigns of Mortgagor, and  
herein, Mortgagor may act through its employees, agents or independent  
counsel and headings of the paragraphs of this instrument are for convenience

**10. SUCCESSORS AND ASSIGNING:** And agreements herein contained shall not Paragrahp 10 hereof, and the right  
successors and assigings. All covenants  
hereunder or taking any actions pro-  
vided for in this Agreement by Mortgagor  
contacitors as authorized by Mortgagor

in lieu of condemnation, are hereby assigned to and shall be paid to mitigationee.  
sell or transfer all or any part of said Property, grant an option to purchase the  
Property, transfer occupancy or possession of the Property, nor sell or assign any  
part of the trust which holds title to the Property without the prior written consent of  
the Indiana State Auditor.

9. TRANSFERS. Mortgagor shall lease the Property, sell the same or part thereof, or for convey a beneficial interest or power of direction

Promptly notify Mortgagee of any action or proceeding relating to any condemnation of the Property, or any part thereof, and Mortgagee shall appear in and prosecute the same in his behalf.

**8. CONDEMNATION.** Mortgagor shall take such action or other taking, whether direct or indirect, or attorney's option, as attorney-in-fact may direct or proceed in respect of any such action or proceeding or damages, direct or consequential, for damage to name, any action or proceeding relating to Mortgagor's option, as attorney-in-fact

shall be permitted for that purpose by the Mortagor.

#### **7. INSPECTION.** Message may at all reasonable times and access ther

the exercise of any such right or remedy; (iii) Each remedy provided for in this Instrument is distinct and cumulative to all other rights and remedies under this Instrument or afforded by applicable law or equity, and may be exercised concurrently, independently or successively in any order whatsoever; (iv) That no change, amendment or modification of this Instrument shall be valid unless in writing and signed by the Mortgagor and Mortgagee or their respective successors and assigns.

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

*Jerome T. Paucak* *Bernadette M. Paucak*  
**JEROME T. PAUCAK AND BERNADETTE M. PAUCAK, AS TRUSTEES, UNDER THE PROVISION OF THE PAUCAK  
LIVING TRUST, DATED FEBRUARY 23, 1998.**

STATE OF INDIANA

COUNTY OF LAKE } SS:

Before me, Charlotte Thomas, A Notary Public in and  
for

said county and State, on this 17 day of Sept, A.D., 2003, personally appeared JEROME T PAUCAK AND BERNADETTE M PAUCAK, AS TRUSTEES, UNDER THE PROVISION OF THE PAUCAK LIVING TRUST, DATED FEBRUARY 23, 1998.

personally known to me to be the person(s) who (is) (are) described in and who executed the foregoing mortgage, and acknowledge the same to be (his) (their) voluntary act and deed for the uses and purposes therein set forth.

My commission expires: \_\_\_\_\_

Resident of Lake County.

Notary Public

Printed Name CHARLOTTE THOMAS

This Instrument prepared by: LAWRENCE H. STENGEL SR. VICE PRESIDENT

