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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

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MORTGAGE RECORDER

MORTGAGE

DATE AND PARTIES. The date of this Mortgage (Security Instrument) is September 29, 2003. The parties and their addresses are:

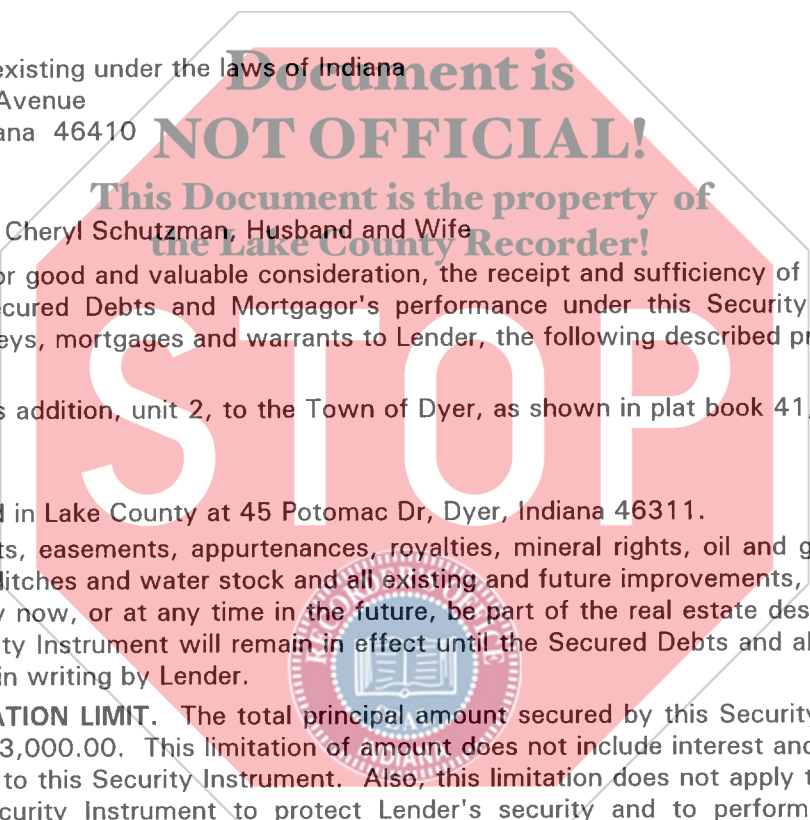
MORTGAGOR:

CARL H. SCHUTZMAN
45 Potomac Dr
Dyer, Indiana 46311

CHERYL SCHUTZMAN
45 Potomac
Dyer, Indiana 46311

LENDER:

CENTIER BANK
Organized and existing under the laws of Indiana
600 East 84th Avenue
Merrillville, Indiana 46410
35-0161790



Carl H Schutzman and Cheryl Schutzman, Husband and Wife

1. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debts and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys, mortgages and warrants to Lender, the following described property:

Lot 6, Heritage Estates addition, unit 2, to the Town of Dyer, as shown in plat book 41, page 47, Lake County, Indiana.

The property is located in Lake County at 45 Potomac Dr, Dyer, Indiana 46311. Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, wells, ditches and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described (all referred to as Property). This Security Instrument will remain in effect until the Secured Debts and all underlying agreements have been terminated in writing by Lender.

2. MAXIMUM OBLIGATION LIMIT. The total principal amount secured by this Security Instrument at any one time will not exceed \$3,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

3. SECURED DEBTS. This Security Instrument will secure the following Secured Debts:
A. Specific Debts. The following debts and all extensions, renewals, refinancings, modifications and replacements. A promissory note, dated September 29, 2003, from Mortgagor to Lender, with a loan amount of \$3,000.00 with an interest rate of 5.99 percent per year and maturing on October 3, 2005.
B. All Debts. All present and future debts from Mortgagor to Lender, even if this Security Instrument is not specifically referenced, or if the future debt is unrelated to or of a different type than this debt. If more than one person signs this Security Instrument, each agrees that it will secure debts incurred either individually or with others who may not sign this Security Instrument. Nothing in this Security Instrument constitutes a commitment to make additional or future loans or advances. Any such commitment must be in writing. In the event that Lender fails to provide any required notice of the right of rescission, Lender waives any subsequent security interest in the Mortgagor's principal dwelling that is created by this Security Instrument. This Security Instrument will not secure any debt for which a non-possessory, non-purchase money security interest is created in "household goods" in connection with a "consumer loan," as those terms are defined by

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13. REMEDIES. Lender may use any and all remedies Lender has under state or federal law or in any instrument evidencing or pertaining to the Secured Debts. Any amounts advanced on Mortgagor's behalf will be immediately due and may be added to the balance owing under the Secured Debts. Lender may make a claim for any and all insurance benefits or refunds that may be available on Mortgagor's default.

Subject to any right to cure, required time schedules or any other notice rights Mortgagor may have under federal and state law, Lender may make all or any part of the amount owing by the terms of the Secured Debts immediately due and foreclose this Security Instrument in a manner provided by law upon the occurrence of a default or anytime thereafter.

All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debts after the balance is due or is accelerated or after foreclosure proceedings are filed will not constitute a waiver of Lender's right to require full and complete cure of any existing default. By not exercising any remedy, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

14. COLLECTION EXPENSES AND ATTORNEYS' FEES. On or after Default, to the extent permitted by law, Mortgagor agrees to pay all expenses of collection, enforcement or protection of Lender's rights and remedies under this Security Instrument. Mortgagor agrees to pay expenses for Lender to inspect and preserve the Property and for any recordation costs of releasing the Property from this Security Instrument. Expenses include, but are not limited to, reasonable attorneys' fees after default and referral to an attorney not a salaried employee of the Lender. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the highest interest rate in effect as provided for in the terms of the Secured Debts. To the extent permitted by the United States Bankruptcy Code, Mortgagor agrees to pay the reasonable attorneys' fees Lender incurs to collect the Secured Debts as awarded by any court exercising jurisdiction under the Bankruptcy Code.

15. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES. As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substance," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and will remain in full compliance with any applicable Environmental Law.
- C. Mortgagor will immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with any Environmental Law.
- D. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.

16. CONDEMNATION. Mortgagor will give Lender prompt notice of any pending or threatened action by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds will be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

17. INSURANCE. Mortgagor agrees to keep the Property insured against the risks reasonably associated with the Property. Mortgagor will maintain this insurance in the amounts Lender requires. This insurance will last until the Property is released from this Security Instrument. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debts. Mortgagor may choose the insurance company, subject to Lender's approval, which will not be unreasonably withheld. All insurance policies and renewals will include a standard "mortgage clause" and, where applicable, "loss payee clause."

Mortgagor will give Lender and the insurance company immediate notice of any loss. All insurance proceeds will be applied to restoration or repair of the Property or to the Secured Debts, at Lender's option. If Lender acquires the Property in damaged condition, Mortgagor's rights to any insurance policies and proceeds will pass to Lender to the extent of the Secured Debts.

Mortgagor will immediately notify Lender of cancellation or termination of insurance. If Mortgagor fails to keep the Property insured Lender may obtain insurance to protect Lender's interest in the Property. This insurance may include coverages not originally required of Mortgagor, may be written by a company other than one Mortgagor would choose, and may be written at a higher rate than Mortgagor could obtain if Mortgagor purchased the insurance.

18. ESCROW FOR TAXES AND INSURANCE. Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.



19. CO-SIGNERS. If Mortgagor signs so only to mortgage Mortgage, Mortgagor does not agree to be primarily liable on the Secured Debts. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor, but are not limited to, any appraisalment relating to the Property. Except to the appraisement relating to the Property, this Security Instrument is governed by the laws of the State of Indiana, except to the extent otherwise required by the laws of another jurisdiction where the Property is located, and the United States of America.

22. JOINT AND INDIVIDUAL LIABILITY AND SUCCESSORS. Each Mortgagor's obligations under this Security Instrument are independent of the obligations of any other Mortgagor. Lender may sue each Mortgagor individually or together with any other Mortgagor. Lender may release any part of the Property and Mortgagor's obligations under this Security Instrument will bind and benefit the successors and assigns of Lender and Mortgagor.

23. AMENDMENT, INTEGRATION AND SEVERABILITY. This Security Instrument may not be amended or modified by oral agreement. No agreement or modification of this Security Instrument is effective unless made in writing and executed by Mortgagor and Lender. This Security Instrument is the complete and final expression of the agreement. If any provision of the agreement is unenforceable, then the unenforceable provision will be severed and the remaining provisions will still be enforceable.

24. INTERPRETATION. Whenever a section heading is used for convenience in writing and executed by Mortgagor and Lender, the singular includes the plural and the plural includes the singular. The section headings are for convenience only and are not to be used to interpret or define the terms of this Security Instrument.

25. NOTICE, FINANCIAL REPORT, DATE AND PARTIES section, or to other application information. Mortgagor agrees to sign, deliver, or to provide Lender any financial statements or information Lender will request. All financial statements and information Lender gives Lender will be correct and complete. Mortgagor agrees to perfect, continue, a preserve Mortgagor's obligations under this Security Instrument and to confirm Lender's lien status on any property. Time is of the essence.

SIGNATURES. By signing, Mortgagor agrees to the terms and covenants contained in this Security Instrument. Mortgagor also acknowledges receipt of a copy of this Security Instrument.

MORTGAGOR: *[Signature]*
Carl H. Schutzman
Individually

CHERYL SCHUTZMAN: *[Signature]*
Cheryl Schutzman
Individually

this Security Instrument but does not sign the Secured Debts, Mortgagor's interest in the Property to secure payment of the Secured Debts and Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor, but are not limited to, any deficiency or one-action laws.

ent prohibited by law, Mortgagor waives all rights of valuation and appraisement relating to the Property. Except to the appraisement relating to the Property, this Security Instrument is governed by the laws of the State of Indiana, except to the extent otherwise required by the laws of another jurisdiction where the Property is located, and the United States of America.

21. APPLICABLE LAW. This Security Instrument is governed by the laws of the State of Indiana, except to the extent otherwise required by the laws of another jurisdiction where the Property is located, and the United States of America.

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ACKNOWLEDGMENT.

(Individual)

STATE OF INDIANA, County OF Lake ss. 29 day of September, 2003, Carl H. Schutzman, and Cheryl Schutzman, acknowledged the execution of the annexed instrument.

My commission expires:

May 11, 2007

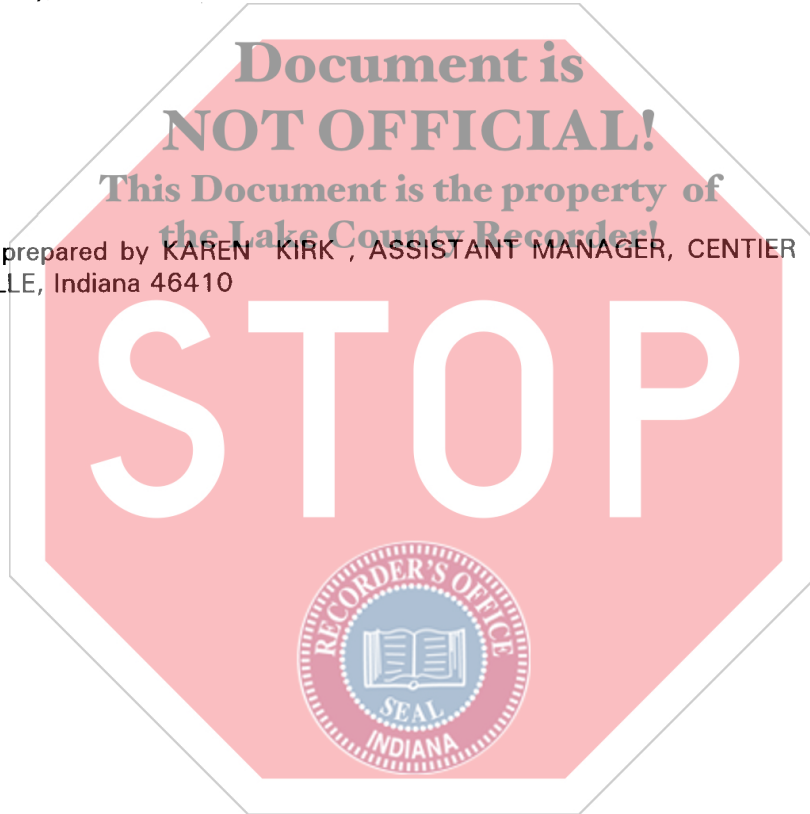
(Notary Public)

Karen Kirk

(Notary's County)

Lake

**NOTARY PUBLIC, Lake County, Indiana
Commission Expires May 11, 2007
President Of Lake County, Indiana**



This instrument was prepared by KAREN KIRK, ASSISTANT MANAGER, CENTIER BANK, 600 EAST 84TH AVENUE, MERRILLVILLE, Indiana 46410