

13

STATE OF INDIANA  
LAKE COUNTY  
DEPT. FOR RECORDS

039706

RECORDED 04-23-2004

SEARCHED INDEXED  
SERIALIZED FILED

[Space Above This Line For Recording Data]

## MORTGAGE

### DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

(A) "Security Instrument" means this document, which is dated 04-23-2004, together with all Riders to this document.

(B) "Borrower" is THOMAS E. BIBAKIS, A MAN OF LEGAL AGE.....

Borrower is the mortgagor under this Security Instrument.

(C) "Lender" is DEMOTTE STATE BANK, CEDAR LAKE BANKING CENTER.....

Lender is a CORPORATION..... organized and existing under the laws of THE STATE OF INDIANA..... Lender's address is

9603 W. 133RD AVE., P.O. BOX 683, CEDAR LAKE, IN 46303.....

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated 04-23-2004.

The Note states that Borrower OWES Lender ONE HUNDRED SIXTY TWO THOUSAND FOUR HUNDRED NINETY SIX AND NO/100.

..... Dollars (U.S. \$162,496.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than 04-28-2019.....

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Balloon Rider
- 1-4 Family Rider

- Condominium Rider
- Planned Unit Development Rider
- Biweekly Payment Rider

- Second Home Rider
- Other(s) [specify] FIXED PAYMENT RIDER

INDIANA—Single Family—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT  
Bankers Systems, Inc., St. Cloud, MN Form MD-1-IN 8/17/2000  
ref: 1/2001



(page 1 of 11 pages)

Form 3015 1/01



J G 1 A 0

0420042048

TICOR TITLE INSURANCE

33~  
DC  
006423  
006503

**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 imposed by:

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

which currently has the address of .....  
LOWELL ..... 17000 RED OAK DR ..... [Street]  
..... 46356 ..... [Zip Code]  
Indiana ..... [City]

|   |  |
|---|--|
| THE SOUTHEAST 1/4 OF THE NORTH EAST 1/4 OF SECTION 14, TOWNSHIP 33 NORTH, RANGE 9 WEST OF THE SECOND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA.   |  |
| (Name of Recording Jurisdiction)  |  |
| (Type of Recording Jurisdiction)  |  |
| COUNTY OF LAKE  |  |
| Lender's successors and assigns the following property located in the instrument and the Note; and (ii) the performance of borrowers hereby does hereby mortgage, grant and convey to Lender and modications of the Note; and (iii) the performance of borrowers and agreements under this Security instrument and the Note.  |  |
| This Security instrument secures to the Lender, and all renewals, extensions and  |  |
| TRANSFER OF RIGHTS IN THE PROPERTY.   |  |
| Party has assumed Borrower's obligations under the Note and/or this Security instrument.  |  |
| (P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that loan even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.  |  |
| (RESPA) "refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage instrument, successor legislation or regulation that governs the same subject matter. As used in this Security instrument, Regulation, Regulation X (24 C.F.R., Part 3500), as they might be amended from time, or any additional or   |  |
| O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulations (ii) any amounts under Section 3 of this Security instrument.   |  |
| N) "Periodic Payment" means the regular scheduled amount due for (i) principal and interest under the Note, or  |  |
| M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Property.   |  |
| Third party other than insurance paid under the coverage described in Section 5 for: (i) damage to, or destruction of condominium, or (iv) misrepresentations of, or omissions as to, the value and/or condition of the instrument of, the Property; (ii) condominium or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (v) items that are described in Section 3. |  |
| L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages paid by any party in connection with a compromise, settlement, or proceeds paid by any party in connection with a transfer, and automation clearinghouse transfers.  |  |
| K) "Escrow Items" means those items that are described in Section 3.  |  |
| J) "Telephone, wire transfers, point-to-point transfers, automatic teller machine transactions, automated teller machines, but is not limited to, point-to-point transfers, and automated clearinghouse transfers.  |  |

H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial decisions.

I) "Community Association Fees, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephone instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes electronic funds transfer machine transactions transfers initiated by

of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

**UNIFORM COVENANTS.** Borrower and Lender covenant and agree as follows:

**1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

**2. Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

**3. Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for

Lender may require Borrower to pay a one-time charge for a loan made by another bank under a service used by Lender in connection with this Loan.

5. Property 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 including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the proceeds sentence can change during the term of the Loan. The insurance carrier providing the insurance shall not be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination, certification and subsequent charges each time remapings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determining from an objection by Borrower.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to Property which can attain priority over this Security Instrument, leaseshold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

any Escrow items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. 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 the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

**6. Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

**7. Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separate payments toward the premiums provided by Lender ceases to be available from the mortgage insurer that previously provided such insurance, Borrower shall pay the premiums required to make separate payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the previous coverage, at a cost substantially equivalent to the cost to Borrower of the previous coverage, from an alternate mortgage insurer selected by Lender. If Lender the amount of the separate payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be established, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserves if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender is obtainable, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separate payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is provided by Applicable Law.

under this Section 9. Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

**9. Protection of Lender's Interests in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interests in the Property and/or rights under this Security Instrument or to enjoin proceedings in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws (or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including proceeding to sell or lease the Property and securing its priority over this Security Instrument or to recover sums secured by a lien which has priority over this Security Instrument; (d) appearing in court; and (e) paying reasonable attorney's fees to protect its interest in the Property and/or rights under this Security instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized or otherwise required by law.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, giving false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan.

modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has--if any--with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

**11. Assignment of Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to 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 Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

**12. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of

If the Loan 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 exceed the principal owed under the Note 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 the principal owed under the Note, the principal will be treated as a partial prepayment to Lender or to another Borrower. Any such charge shall be given notice of such overcharge.

15. Notices. All notices given by Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute address through Borrower's change of address or by notice to Lender. Lender specifies a procedure for reporting changes of address, then Borrower shall only report a change of address to Lender unless Borrower has delivered it or by mailing it to Lender's address at any one time. Any notice to Lender shall be deemed to have been given to Lender unless Lender has addressed the notice to Borrower. Any notice through the security instrument at any time of recordation of a security interest in the property is located. All rights and obligations contained in this Security Instrument shall be governed by federal law and the law of the state in which the property is located. This Security Instrument shall govern the relationship between the parties to the extent that it does not conflict with the applicable law.

16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by the laws of the state in which the property is located. All rights and obligations contained in this Security Instrument are subject to any requirements of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or in writing to be silent, but such silence shall not be construed as a provision against the parties to agree by contract or in writing to be silent. In the event that any provision of this Security Instrument is held invalid or unenforceable, the parties shall negotiate in good faith to amend such provision to reflect their original intent insofar as possible. Any provision held invalid or unenforceable under this provision shall not affect other provisions of this Security Instrument.

17. Borrower's Copy. Borrower shall be given one copy of the Note and of this Security Instrument.

18. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 18, "Interest in property" means any legal or beneficial interest in the property, including, but not limited to, those interests which are personal and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**14. Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's inclusion, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, but not limited to, attorney's fees, property inspection and valuation fees. In regard to any other fees, the absence of express fees, property inspection and valuation fees, in this Security Instrument shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by law.

interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

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

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 given in accordance with Section 15 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.

**19. Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had 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, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and 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 Section 18.

**20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

**21. Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes 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; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

-Borrower  
.....  
(Seal)

-Borrower  
.....  
(Seal)

THOMAS E. BIBAKIS

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

**24. Waiver of Valuation and Appraisal.** Borrower waives all right of valuation and appraisal.  
is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.  
Security instrument. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee  
is secured by sums secured by this Security Instrument, Lender shall release this  
Instrument and in any Rider executed by Borrower and recorded with it.  
**23. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this  
Section 22, including, but not limited to, reasonable attorney fees and costs of title evidence.  
proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this  
by this Security instrument without further demand and may foreclose this Security Instrument by judicial  
date specified in the notice. Lender at its option may require immediate payment in full of all sums secured  
or any other defense of Borrower to accelerate and foreclose. If the default is not cured or before the  
remediate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default  
by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to  
specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure  
Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date  
action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to  
under Section 18 unless Applicable Law provides otherwise. The notice shall specify: (a) the default; (b) the  
Borrower's breach of any covenant or agreement in this Security instrument (but not prior to acceleration following  
22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following  
NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

Nothing herein shall create any obligation on Lender for an Environmental Cleanup.  
necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.  
any private party, that any removal of other remediation of any Hazardous Substance affecting the Property is  
affects the value of the Property. If Borrower learns, or is notified by any Governmental or regulatory authority, or  
Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely  
includes but not limited to, any spilling, leaking, discarding, release or threat of release of any Hazardous  
Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition,  
action by any government or private party involving the Property and any Hazardous  
Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or  
but not limited to, hazardous substances in consumer products).

generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including,  
not apply to the presence, use, or storage, or disposal of small quantities of Hazardous Substances that are  
Substance, creates a condition that adversely affects the value of the Property. The proceeding two substances shall  
which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous  
allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b)  
substances, or threaten to release any Hazardous Substances, or in the Property. Borrower shall not do, nor  
Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous

[Space Below This Line For Acknowledgment]

STATE OF INDIANA, LAKE..... County ss:  
Before me, NINA J. WILSON....., a Notary Public this ..... 23RD.....  
day of APRIL, 2004....., THOMAS E. BIBAKIS, A MAN OF LEGAL AGE.....  
acknowledged the execution of the annexed mortgage.

WITNESS my hand and official seal.

My commission expires: 01-06-2008

*Nina J. Wilson*  
Notary Public

NINA J. WILSON.....  
Type or Print Name

Resident of LAKE..... County, Indiana

This instrument was prepared by:

DANIEL J. RYAN, EX. V.P. & LOAN ADMIN.

**Document is  
NOT OFFICIAL!**

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

**STOP**



INDIANA—Single Family—Fannie Mae/Freddie Mac UNIFORM INSTRUMENT  
Bankers Systems, Inc., St. Cloud, MN Form MD-1-IN 8/17/2000

(page 11 of 11 pages)

Form 3015 1/01

*103*

## PAYMENT RIDER

THIS PAYMENT RIDER is made this 23RD day of APRIL, 2004 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: 17000 RED OAK DR., LOWELL, IN 46356

[Property Address]

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

**A. PERIODIC PAYMENTS OF PRINCIPAL AND INTEREST**

The Note provides for periodic payments of principal and interest as follows:

**3. PAYMENTS**

**(A) Periodic Payments**

I will pay principal and interest by making periodic payments when scheduled:

I will make ..... payments of \$ ..... each on the ..... of each ..... beginning on ..... **Document is  
NOT OFFICIAL!**

I will make payments as follows: **179 MONTHLY PAYMENTS OF \$1,086.55 BEGINNING 05-28-2004.**

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

In addition to the payments described above, I will pay a "Balloon Payment" of \$ 121,597.40 on 04-28-2019. The Note Holder will deliver or mail to me notice prior to maturity that the Balloon Payment is due. This notice will state the Balloon Payment amount and the date that it is due.

**(B) Maturity Date and Place of Payments**

I will make these payments as scheduled until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My periodic payments will be applied to interest before Principal. If, on 04-28-2019, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."



**MULTIPURPOSE FIXED RATE PAYMENT RIDER (MULTISTATE)**

Bankers Systems, Inc., St. Cloud, MN Form MPFR-PR 8/6/2003  
ref: MPFR-MN

(page 1 of 2 pages)

*TB*

**Document is  
NOT OFFICIAL!**

**This Document is the property of  
THOMAS E BRAKES  
the Lake County Recorder!**

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Payment Rider.

**STOP**

Uniform Covenant 3 of the Security Instrument is waived by Lender.

**B. FUNDS FOR TAXES AND INSURANCE**

or at a different place if required by the Note Holder.



I will make my periodic payments at 210 S. HALLIECK ST., DEMOTTE, IN 46310.