

MORTGAGE

This mortgage is made on Feb 12th, 2004, between Stefanie Bader, *aka* Stefanie Komorowski ("Mortgagee") and Michael J. Bader, *aka* Michael James Bader ("Mortgagor"). The Mortgagor hereby, expressly subject to any mortgages or encumbrances duly recorded prior to the date hereof, grants, bargains, sells, conveys and mortgages to Mortgagee the real property ("Premises") hereinafter described, including fixtures thereto, as security for payment of sums due or to become due pursuant to an agreement dated Feb 12th, 2004, and described as "The Bader Loan Agreement," an unexecuted copy of which is attached hereto as an Exhibit A.

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2004 JUN -9 11 00 AM

MORRIS & COMPANY
RECORDERS

The Premises are described as follows:
A PORTION OF LOT 908 IN MARICOPA POINTE OF SEDONA, UNIT NINE, AS SHOWN IN PLAT BOOK 81, PAGE 34, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT, THENCE NORTH 00 DEGREES 01 MINUTES 41 SECONDS EAST, 54.00 FEET ALONG THE WEST LINE OF SAID LOT; THENCE SOUTH 89 DEGREES 39 MINUTES 05 SECONDS EAST, 130.00 FEET THROUGH THE CENTERLINE OF AN EXISTING PARTY WALL TO THE EAST LINE OF SAID LOT; THENCE SOUTH 00 DEGREES 01 MINUTES 41 SECONDS WEST, 54.00 FEET ALONG THE EAST LINE OF SAID LOT TO THE SOUTHEAST CORNER OF SAID LOT; THENCE NORTH 89 DEGREES 39 MINUTES 05 SECONDS WEST, 130.00 FEET ALONG THE SOUTH LINE OF SAID LOT TO THE POINT OF BEGINNING.
Street address: 8633 Hayes Street, Merrillville, IN 46410
Tax Key # 15-693-8 Unit 8

The property hereby mortgaged and described herein includes all improvements and fixtures now attached together with easements, rights, privileges, interests, rents and profits; To Have and to Hold the said Premises hereinafter described, with all the privileges and appurtenances thereunto belonging, unto Mortgagee; and Mortgagor covenants that he is seized of good and perfect title to said property in fee simple (which may be subject to one or more mortgages of an earlier date than this), expressly subject to any mortgages or encumbrances duly recorded prior to the date hereof; and Mortgagor has authority to convey the same. If Mortgagor shall fully perform all of the terms and conditions of this mortgage and shall pay in full in accordance with its terms the obligations which this mortgage secures, then this mortgage shall be null, void, and of no further force and effect. Mortgagor agrees to cooperate as may be reasonable to keep the Premises fully insured at all times against all hazards with an insurance company authorized to do business in the State of Indiana, which policy shall contain a loss-payable clause in favor of Mortgagee as her interest may appear; and if Mortgagor shall fail to do so, then Mortgagee is authorized by Mortgagor to insure or renew insurance on the Premises in an amount not exceeding the indebtedness of Mortgagor under the Bader Loan Agreement; in which case the premiums therefor are further secured by this mortgage. Mortgagor further covenants to permit no waste upon the Premises while sums secured

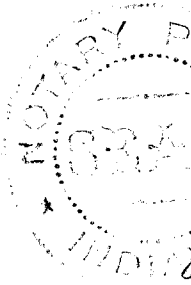
13.1
12/14/04
5/3/04

hereby are still owing by Mortgagor to Mortgagee under the Bader Loan Agreement; and that, if Mortgagor permits waste to be committed upon the Premises, then Mortgagee may maintain an action for waste or the abatement of waste, or in equity to secure her interest in the Premises. If default is made in any term or condition of the debt(s) being or to be secured hereby, or in any term of this mortgage or in the Bader Loan Agreement, or in the payment of any sums when due, or if Mortgagor is adjudged a bankrupt, or files a petition in bankruptcy in a court of competent jurisdiction, or Mortgagor becomes insolvent or makes an assignment of an interest in the Premises for the benefit of creditors, or if a receiver is appointed with respect to Mortgagor and the Premises, or should the Premises be attached, levied upon, seized, or garnished, or should the underlying fee title interest of Mortgagor be transferred or changed voluntarily or involuntarily, then the whole amount secured by this mortgage shall, at the option of Mortgagee, be immediately accelerated and become immediately due and payable without notice or demand; and foreclosure and/or collection agreeable with the terms of the Bader Loan Agreement be commenced in a court of competent jurisdiction. In a successful prosecution of such foreclosure by Mortgagee, Mortgagor shall pay all legal costs thereof to the extent and with the provisos maintained in the Bader Loan Agreement. No failure on the part of Mortgagee to exercise any of her rights hereunder for defaults or breaches of covenant or otherwise shall be construed to prejudice her rights in the event of any other or subsequent defaults or breaches of covenant; and no delay on the part of Mortgagee in exercising any of her rights shall be deemed to preclude her from the exercise thereof at any time during the continuance of any such default or breach of covenant; and Mortgagee may enforce any one or more remedies successively or concurrently at her option.

IN WITNESS WHEREOF, the Mortgagor has executed this mortgage on the day indicated above.

X [Signature]
Mortgagor

Document is
NOT OFFICIAL!
This Document is the property of
the Lake County Recorder!



State of Indiana
County of LAKE

Before me, a notary public in and for the State of Indiana and a resident of LAKE County therein, personally came the aforesaid Mortgagor and acknowledged the execution of the foregoing mortgage. In witness whereof, I have hereunder subscribed my name and affixed my official seal this 12th day of FEBRUARY, 2004. My notarial commission expires on 3/12/08 [or as may be indicated on my notary seal]

Judith A. Menab
Notary Public JUDITH A. MENAB

This instrument prepared by

DANIEL R. ZAJAC
Attorney at Law
PO Box 9263
Highland IN 46322-9263
(219) 838-0360



After recording please return to

Stefanie Bader
8633 Hayes Street
Merrillville IN 46410

BADER LOAN AGREEMENT

EXHIBIT A

This is an agreement entered into by and between Stefanie Bader, fka Stefanie Komorowski ("Lender") and Michael J. Bader, aka Michael James Bader ("Borrower"). Whereas Borrower owns a fee title interest in, and is seized of real property ("Premises") located at 8633 Hayes Street, Merrillville, Indiana, and it is anticipated that Lender will meet certain financial obligations ("Expenditure(s)") of Borrower with respect to Premises (including, but not by way of limitation, mortgage payments, real estate tax payments and assessments, property insurance, and costs of repair and maintenance; all which were reasonable under the circumstances), and whereas Lender does not possess a fee interest in the Premises; and whereas the parties anticipate the repayment of such expenditures by Lender for Borrower; Now, therefore, the parties agree that with respect to any such Expenditure(s) actually met by Lender, Borrower will, upon demand made in writing by Lender to Borrower, repay the sum of such Expenditure(s) to Lender within one hundred (100) days of such demand. Portions of the Expenditure(s) demanded not paid within that time shall bear interest at the rate of seven percent (7%) per annum simple. Demands hereunder shall be in writing and mailed by certified mail with return receipt requested to the last address for Borrower known to Lender, being such address at which Borrower was known to Borrower to be receiving mail. The demand shall be deemed made as of the date that the USPS first attempts to deliver the demand to the address. Borrower may at any reasonable time, at any reasonable number of times per year, demand of Lender an accounting of Expenditure(s) to date, which shall be rendered within a reasonable time, and may also pay any or all of Expenditure(s) made to such time. Either party may at any time delay enforcing his or her rights hereunder without thereby waiving them, subject to applicable laches doctrines, and a waiver of enforcement of a right in a particular instance does not mean that other instances of the potential enforcement of a right would be waived. Nothing in this instrument shall be deemed to create an obligation on the part of Lender to meet any Expenditure(s) or other obligation toward Borrower (except as explicitly provided herein) or with respect to the Premises. Nothing in this instrument shall be deemed to relieve Lender of any obligation which she might otherwise have or have had either toward Borrower or with respect to the Premises in the absence of this instrument and agreement. If either party incurs reasonable attorney fees or court costs in the enforcement of his or her rights pursuant to this agreement and instrument, then a court may award attorney fees as may be appropriate, taking due notice and consideration of the other party's cooperation in the matter; and further, that, in the absence of substantial opposition by Borrower to Lender in any such action, such attorney fees might be awarded against Borrower's interest in the Premises, but not in a deficiency award. Borrower retains the right at any time to terminate Lender's ability to meet Expenditure(s)'s pursuant to this agreement by written notice sent to Lender. Such notice is valid when actually received by Lender, or when it can be demonstrated that such notice was delivered by the USPS or a common carrier to the Premises address, or to such other address for Lender as Lender may by writing have provided to Borrower. This is not a consumer transaction; neither party is in the business of making loans, commercial, consumer, or otherwise; and, while the parties are known to one another, this is intended as an arm's-length transaction, and each party acknowledges having had an opportunity to have it separately reviewed by counsel of his/her own choosing. Each party intends that the other be entitled to rely upon this. The parties are separately executing a mortgage to secure sums described hereinabove.

Lender

Borrower

x Stefanie Bader 2/12/04
date

x [Signature] 2/12/04
date

