

REAL ESTATE MORTGAGE

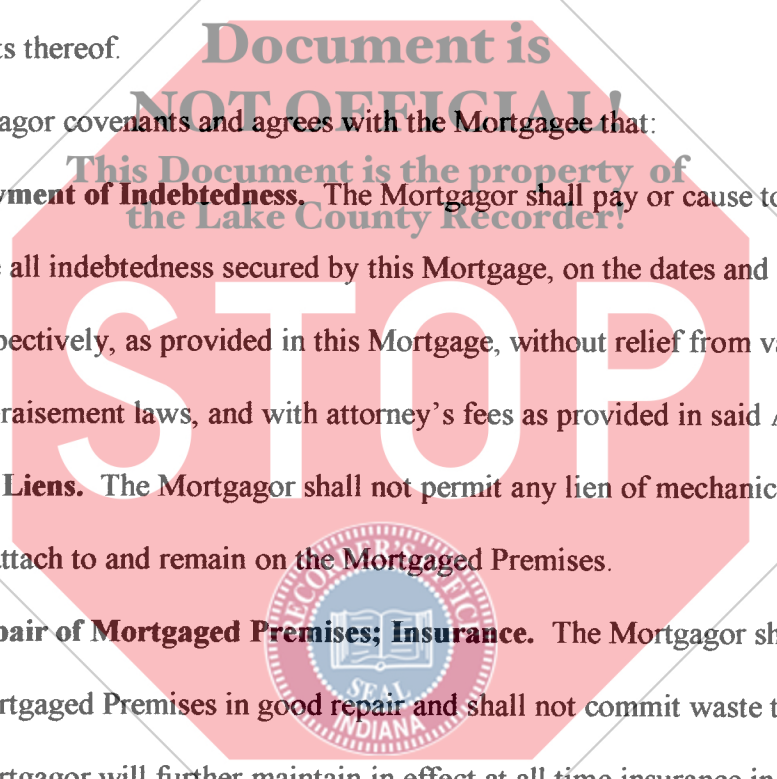
THIS INDENTURE WITNESSETH, that in order to secure a certain Promissory Note of given date herewith executed by Josko & Angelina Srbinoski and give to Jack E. Kovich in the principal sum of Thirty-six Thousand Nine Hundred Dollars (\$36,900.00), Josko & Angelina Srbinoski, MORTGAGES AND WARRANTS TO Jack E. Kovich (the "Mortgagee"), the following described real estate in Lake County, Indiana:

1165 Stillwater Parkway, Crown Point, Indiana 46307

(hereinafter referred to as the ("Mortgaged Premises")), together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures and improvements now or hereafter belonging, appurtenances, fixtures and improvements now or hereafter belonging, appurtenances, attached to, or used in connection with, the Mortgaged Premises, and all the rents, issues, incomes and profits thereof.

The Mortgagor covenants and agrees with the Mortgagee that:

- Payment of Indebtedness.** The Mortgagor shall pay or cause to be paid when due all indebtedness secured by this Mortgage, on the dates and in the amounts, respectively, as provided in this Mortgage, without relief from valuation and appraisal laws, and with attorney's fees as provided in said Agreement.
- No Liens.** The Mortgagor shall not permit any lien of mechanics or materialmen to attach to and remain on the Mortgaged Premises.
- Repair of Mortgaged Premises; Insurance.** The Mortgagor shall keep the Mortgaged Premises in good repair and shall not commit waste thereon. The Mortgagor will further maintain in effect at all time insurance in accordance with the requirements of such first mortgage holder.



2009 076560

DEPT OF INDIANA  
 LAKE COUNTY  
 FILED FOR RECORD  
 2009 SEP - 9 AM 10:18  
 MORTGAGE CENTER  
 REC'D

TICOR SO  
92-44560

TI  
21  
48

4. **Taxes and Assessments.** The Mortgagor shall pay all taxes or assessments levied or assessed against the Mortgaged Premises, or any part thereof, as and when the same become due and before penalties accrue.
5. **Default by Mortgagor; Remedies of Mortgagee.** Upon default by the Mortgagor in any payment or other obligation under this agreement or of Mortgagor in the performance of any covenant or agreement of the Mortgagor hereunder, or if the Mortgagor shall abandon the Mortgaged Premises, or if a trustee or receiver is appointed in any bankruptcy action, if any such failure or default is not remedied within ten (10) days after written notice thereof to Mortgagor, then and in any such event, the entire indebtedness secured hereby shall become immediately due and payable at the option of the Mortgagee, without notice, and this Mortgage may be foreclosed accordingly. Upon such foreclosure, the Mortgagee may continue the abstract of title to the Mortgaged Premises, or obtain other appropriate title evidence, and may add the cost thereof to the principal balance due.
6. **Non-Waiver; Remedies Cumulative.** No delay by the Mortgagee in the exercise of any of his rights hereunder shall preclude the exercise thereof so long as the Mortgagor is in default hereunder, and no failure of the Mortgagee to exercise any of his rights hereunder shall preclude the exercise thereof in the event of a subsequent default by the Mortgagor hereunder. The Mortgagee may enforce any one or more of his rights or remedies hereunder successively or concurrently. Mortgagee agrees to subordinate this Mortgage to a first mortgage not to exceed

the sum of One Hundred Forty-seven Thousand Six Hundred Dollars (\$147,600.00) in the aggregate.

7. **Extensions; Reductions; Renewals; Continued Liability or Mortgagor.** The Mortgagee, at his option, may extend the time for the payment of the indebtedness, or reduce the payment thereon without consent of any junior lien holder, and without the consent of the Mortgagor if the Mortgagor has then parted with title to the Mortgaged Premises. No such extension, reduction or renewal shall affect the priority of this mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of the Mortgagor to the Mortgagee.
8. **General Agreement of Parties.** All rights and obligations hereunder shall extend to and be binding upon the several heirs, representative, successors and assigns of the parties to this Mortgage. When applicable, use of the singular form of any word also shall mean or apply to the plural, and masculine from shall mean and apply to the feminine or neuter. The titles of the several paragraphs of this Mortgage are for convenience only and do not define, limit or construe the contents of such paragraphs.
9. **Restriction of Transfer.** With the exception of sales which will cause payments upon the sums therein to be due and payable thereunder, if all or any part of the Mortgaged Premises or an interest therein is sold or transferred by Mortgagor, whether by deed, conditional sales contract, or otherwise, without Mortgagee's prior written consent, Mortgagee may, at Mortgagee's option, declare the balance of all the sums secured by this Mortgage to be immediately due and payable. The

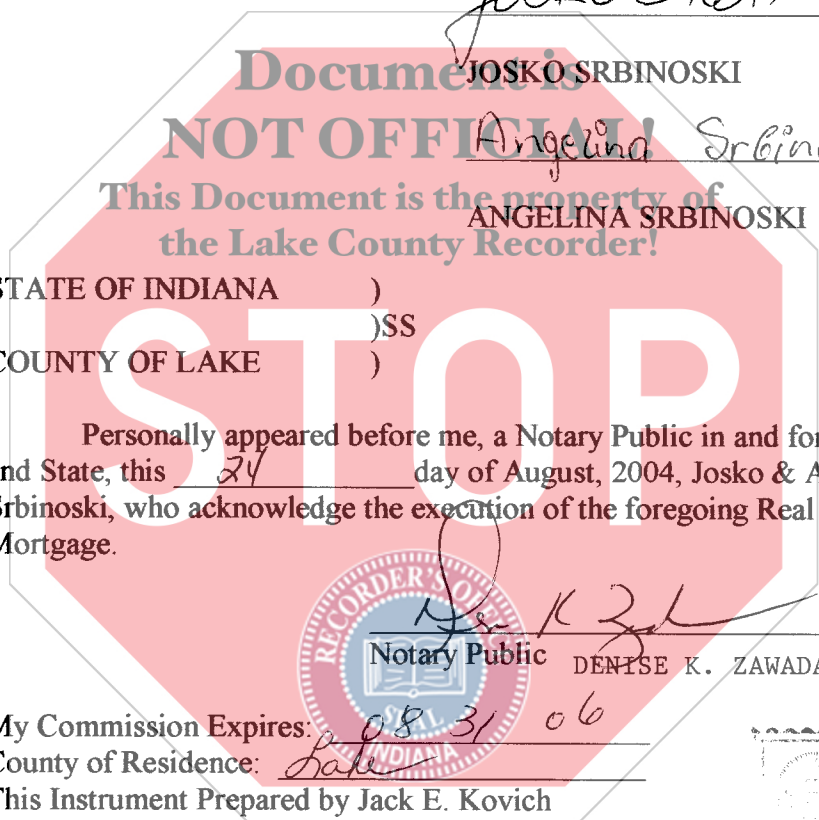
consent of the Mortgagee may be on such reasonable terms and conditions as are satisfactory to Mortgagee.

- 10. **Notice to Mortgagee.** All notices to the Mortgagee hereunder shall be deemed sufficient if sent to the Mortgagee herein by registered or certified mail, return receipt requested to Jack E. Kovich, 1626 Truchard Court, Crown Point, IN 46307. Notice required to be sent to Mortgagor shall be sent by registered or certified mail, return receipt requested to Josko & Angelina Srbinoski, 1165 Stillwater Parkway, Crown Point, IN 46307.

IN WITNESS WHEREOF, the Mortgagor has executed this mortgage this 24 day of August, 2004.

JOSKO SRBINOSKI  
JOSKO SRBINOSKI

Angelina Srbinoska  
ANGELINA SRBINOSKI

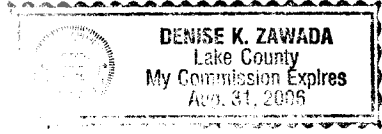


STATE OF INDIANA )  
)SS  
COUNTY OF LAKE )

Personally appeared before me, a Notary Public in and for said County and State, this 24 day of August, 2004, Josko & Angelina Srbinoski, who acknowledge the execution of the foregoing Real Estate Mortgage.

Denise K. Zawada  
Notary Public DENISE K. ZAWADA

My Commission Expires: 08 31 06  
County of Residence: Lake  
This Instrument Prepared by Jack E. Kovich



**MORTGAGE NOTE**

\$36,900

Lake County, Indiana

August 24, 2004

For value received Josko & Angelina Srbinoski, promises to pay to the order of Jack E. Kovich, the sum of Thirty-six Thousand Nine Hundred Dollars (\$36,900.00), bearing interest as follows: 1<sup>st</sup> Year, 10% interest amortized over 10 years, principal & interest, payment of \$488.00 per month. 2<sup>nd</sup> Year, 11% interest amortized over 10 years, principal & interest, payment of \$508.00 per month. Third Year, 12% interest amortized over 10 years, principal & interest, payment of \$530 per month. All payments are due on the first of each month.

This Mortgage Note shall have a balloon payment after three years without any prepayment penalty.

Any portion of equity interest which is not paid when due as provided herein shall, after the due date, bear interest at the rate of thirteen and one-half percent (13 ½%) per annum until paid.

All payments due hereunder shall be made to Jack E. Kovich at 1626 Truchard Court, Crown Point, Indiana or elsewhere as the holder may advise the promissory in writing.

In the event of default in the payment of any installment of the equity interest when due, the entire unpaid balance of the equity interest shall then become immediately due and payable without notice, at the election of the holder hereof. Upon default the

TICOR - SCHERERVILLE

92-4456-0

undersign agrees to forfeit any and all equity interest if said default is not remedied within 60 days of written notice.

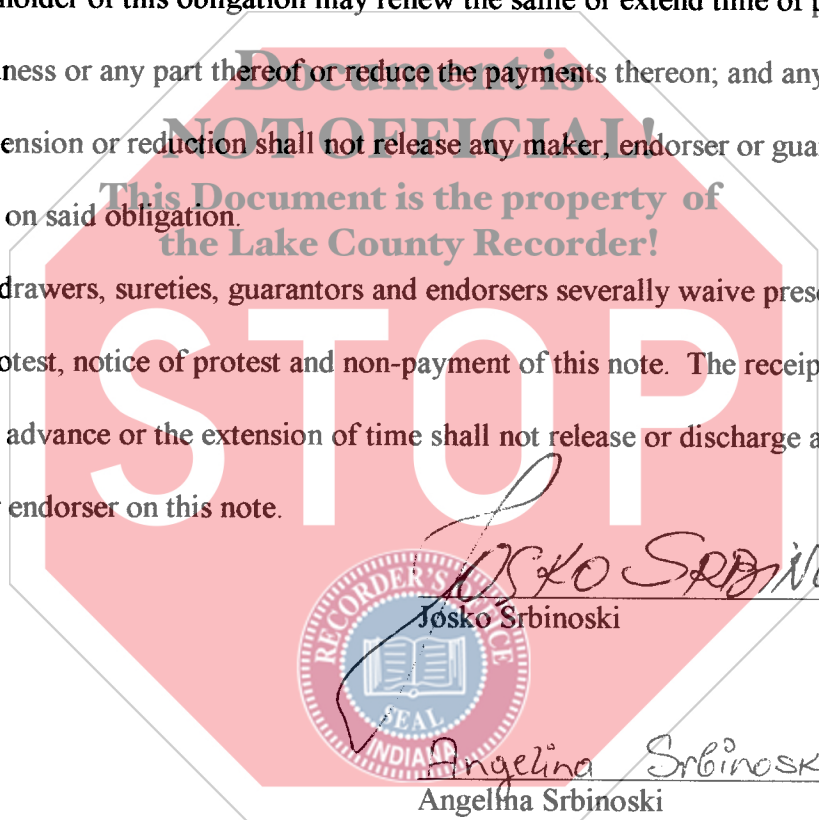
No failure on the part of the holder of this obligation in exercising said option to declare the whole of said indebtedness due or to proceed to collect the same shall operate as a waiver of the right to do so or preclude the exercise of such option at any time during the continuance of such default or the occurrence of a succeeding default. Advance payment may be made in any amount.

The holder of this obligation may renew the same or extend time of payment of the indebtedness or any part thereof or reduce the payments thereon; and any such renewal, extension or reduction shall not release any maker, endorser or guarantor from any liability on said obligation.

The drawers, sureties, guarantors and endorsers severally waive presentment for payment, protest, notice of protest and non-payment of this note. The receipt of payments in advance or the extension of time shall not release or discharge any surety, guarantor or endorser on this note.

  
\_\_\_\_\_  
Josko Srbinoski

  
\_\_\_\_\_  
Angelina Srbinoska



No: 920044560

## LEGAL DESCRIPTION

Lot 226 in Stillwater - Unit Four, as per plat thereof, recorded in Plat Book 88, page 80, and amended by Certificate of Correction recorded November 2, 2000 as Document No. 2000 080312, in the Office of the Recorder of Lake County, Indiana.

