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2006 009644

STATE OF INDIANA
LAKE COUNTY
FILED
SAND RIDGE BANK
2006 FEB -7 AM 9:54
A Division of First Financial Bank, N.A.

INDIANA
This mortgage prepared by:
Lynn Gluhm
Sand Ridge Bank
A division of
First Financial Bank, N. A.
300 High St.
Hamilton, Ohio 45011

MICHAEL A. BROWN
RECORDER

620059430
OPEN-END MORTGAGE

CHICAGO TITLE INSURANCE COMPANY

Douglas E Karlson and Christina M Karlson, whose address is 3078 Parkwood Place, Crown Point, Indiana 46307, grants, mortgages and warrants to SAND RIDGE BANK, a division of First Financial Bank, N.A., a national banking association whose address is 3rd & High Streets, Hamilton, Ohio 45012, all right and interest in the real estate known as: 3078 Parkwood Place, Crown Point, Indiana 46307 and in any buildings or improvements which are or may be placed on such real estate and all easements and rights relating to such real estate and improvements, such real estate described as follows:

Lot 775, in Lakes of the Four Seasons, Unit No. 7, as per plat thereof, recorded in Plat Book 38 page 9, in the Office of the recorder of Lake County, Indiana.

check if applicable: See attached Exhibit A.

1. Definitions.

As used in this document, the words "you" and "your" refer to each and all of the persons named above, the word "Bank" refers to the Sand Ridge Bank, a division of First Financial Bank, N.A., the word "Property" refers to the real estate, buildings and rights described above, the word "Account" refers to your Capital Access Account with the Bank and the terms and conditions, as amended from time to time, applicable thereto, and all of your obligations with respect to the account and all extensions and renewals of such obligations.

2. Debt Secured.

This mortgage secures the repayment of all obligations to the Bank under the Account that you (alone or together with others) have with the Bank, in the maximum principal amount of \$20,000.00, with a maturity date of January 27, 2026, and all extensions and renewals thereof, and all future advances made pursuant to Section 8.

3. Ownership of Property.

You promise that you are the sole owner of the Property and that there are no other mortgages or liens on the Property except the mortgages described to the Bank on your application for the loan and non-delinquent real estate taxes and assessments. You promise that the recording of this Mortgage is not a violation of the terms of any existing mortgage on the Property.

4. Borrower's Agreements.

(a) You promise to pay all real estate taxes, assessments and charges (including condominium and owner's association fees, charges and assessments) relating to the Property when they become due.

(b) You promise to maintain the buildings on the Property in good condition and to comply with all laws and regulations of government authorities relating to the Property.

(c) You promise to keep the buildings on the Property insured against loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies (including flood insurance if the Property is located in a federally identified flood hazard area) and other hazards the Bank may specify. The insurance coverage will be in an amount not less than the amount of all mortgages on the Property, up to the full replacement value of the Property and will be obtained from an insurance company satisfactory to the Bank. Such insurance policy must contain a standard mortgage clause, naming the Bank as its interest may appear. Upon request of the Bank, you promise to deliver proof to the Bank of such insurance.

(d) You promise not to sell or transfer ownership of all or any part of the Property without the prior written consent of the Bank.

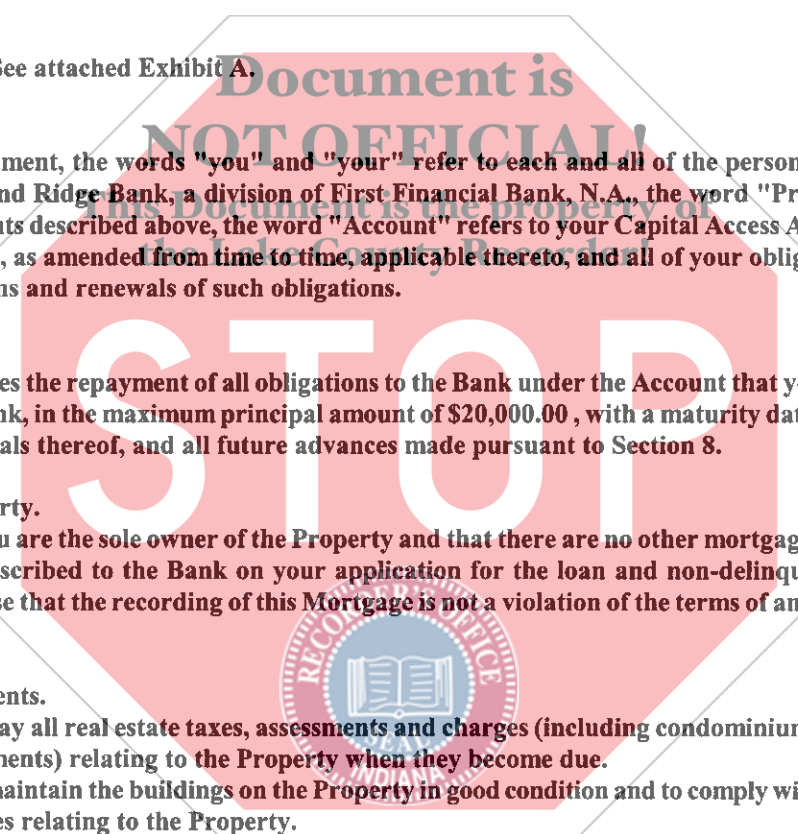
(e) You promise not to place or permit anyone else to place or enter into any land contract with respect to the property, or to place other mortgages or liens on the property without the prior written consent of the Bank.

5. Cost of Bank.

To the extent permitted by law, you promise to pay all costs and expenses (including attorney's fees) incurred by the Bank in enforcing its rights under this Mortgage. If you do not comply with the promises of Paragraph 4, above, the Bank may, but does not have to, make such payments or take such actions as it deems appropriate to assure that taxes, assessments and charges are paid, that the Property is maintained, that insurance is in place and that you comply with the promises of Paragraph 4. If the Bank elects to do so and makes any payment or incurs any expense, the amount of such payments and expenses will be secured by this Mortgage and the Bank may demand immediate payment of such amounts or may add such payments and expenses to the Account.

6. Default.

The Bank may foreclose on this Mortgage and exercise any other right provided to it by law if a default occurs under your Account or this Mortgage. Your Account's terms and conditions describe the acts that will be a default under your Account and this Mortgage. There will also be a default if you break any of your promises contained in this Mortgage.



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7. General Provisions.

(a) This Mortgage is for the benefit of the Bank and for the benefit of anyone to whom the Bank may transfer it.

(b) The Bank can delay enforcing any of its rights under this Mortgage without losing them. Any waiver by the Bank of any of its rights under this Mortgage will not be a waiver by the Bank of the same right or rights on any other occasion.

(c) This Mortgage will be governed by the laws of the State of Indiana.

(d) If a court decides that any part of this Mortgage is invalid, the rest of this Mortgage will remain in effect.

8. Future Advances.

(a) You and the Bank intend that this Mortgage secures unpaid balances arising under or pursuant to your Account after this Mortgage is recorded to the extent that the maximum amount of such unpaid indebtedness, exclusive of interest thereon does not exceed \$20,000.00.

(b) This mortgage will secure such balances arising under or pursuant to your Account although there may be no such balances at the time of signing this Mortgage and although there may be no such balances outstanding at the time any Loan or Purchase (as defined in your Account Terms and Conditions) is made.

(c) At such time as your Account is both paid in full and closed, this Mortgage will be canceled of record.

9. Release.

Upon payment of all sums secured by this Security Instrument, Lender shall discharge this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

10. Line of Credit or Revolving Credit Plan.

The Account includes a line of credit or revolving credit plan. Although the Account may be repaid to a zero balance, this mortgage will remain in effect until the Account and all underlying agreements have been terminated in writing by Bank.

11. Additional Provisions. (Check if applicable)

CONDOMINIUM COVENANTS. In addition to the covenants and agreements made in the Mortgage, you further covenant and agree with Bank as follows:

(a) **Condominium Obligations.** You will perform all of your obligations under the Condominium Project's Constituent Documents. The "Constituent Document" are the: (i) Declaration or any other document which creates the Condominium Project; (ii) by-laws; (iii) code of regulations; and (iv) other equivalent documents. You will promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

(b) **Property Insurance.** So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy on the Condominium Project which is satisfactory to Bank and that provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, from which Bank requires insurance, then: your obligation under Paragraph 4(c) to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy. What Bank requires as a condition of this waiver can change during the term of the loan. You will give Bank prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy. In the event of distribution of property insurance proceeds in lieu of restoration or repair following a loss of the Property, whether to the unit or to common elements, any proceeds payable to you are hereby assigned and will be paid to Bank for application to the sums secured by this mortgage, whether or not then due, with the excess, if any, paid to you.

(c) **Public Liability Insurance.** You will take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Bank.

(d) **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, payable to you in connection with any condemnation or other taking of all or any part of the Property, whether of the unit or of the common elements, or for any conveyance in lieu of condemnation, are hereby assigned and will be paid to Bank, which will be applied by Bank in accordance with any terms and conditions governing the Accounts, or, if none as determined by the Bank in the exercise of its sole discretion.

(e) **Bank Prior Consent.** You will not, except after notice to Bank and with Bank's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the Condominium Project, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the Constituent Documents if the provision is for the express benefit of Bank; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action that would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Bank.

(f) **Remedies.** If you do not pay condominium dues and assessments when due, then Bank may pay them. Any amounts disbursed by Bank under this Paragraph 11(f) will become additional debt of yours secured by the mortgage. Unless you and Bank agree to other terms of payment, these amounts will bear interest from the date of disbursement at the rate applicable to the Account, or, if more, at the highest rate permitted by applicable law, and will be payable, with interest, upon notice from Bank to you requesting payment.

Signed on JANUARY 27, 2006.

WITNESS:

Douglas E. Karlson
Douglas E Karlson
Christina M. Karlson
Christina M Karlson

Acknowledgment

STATE OF INDIANA }
 } }
COUNTY OF LAKE }

SS:

The foregoing instrument was acknowledged before me on JANUARY 27, 2006 by Douglas E Karlson and Christina M Karlson,

This instrument was prepared by:

Sand Ridge Bank
A division of First Financial Bank, N.A.
Third & High Streets
Hamilton, OH 45012

Star Luga
STAR LUGA Notary Public
RESIDENT OF LAKE COUNTY
MY COMMISSION EXPIRES: 06/25/07

This mortgage is fully paid and satisfied, and may be canceled of record.

Date:

By order of the Board of Directors of Sand Ridge Bank, a division of First Financial Bank, N.A., Hamilton, Ohio.

SAND RIDGE BANK, a division of First Financial Bank, N. A., Hamilton, OH

By: _____

MORTGAGE

To Douglas E Karlson
and Christina M Karlson,

Sand Ridge Bank,
A division of First Financial Bank, N.A.,
Hamilton, Ohio



Return To:

Capital Access Department

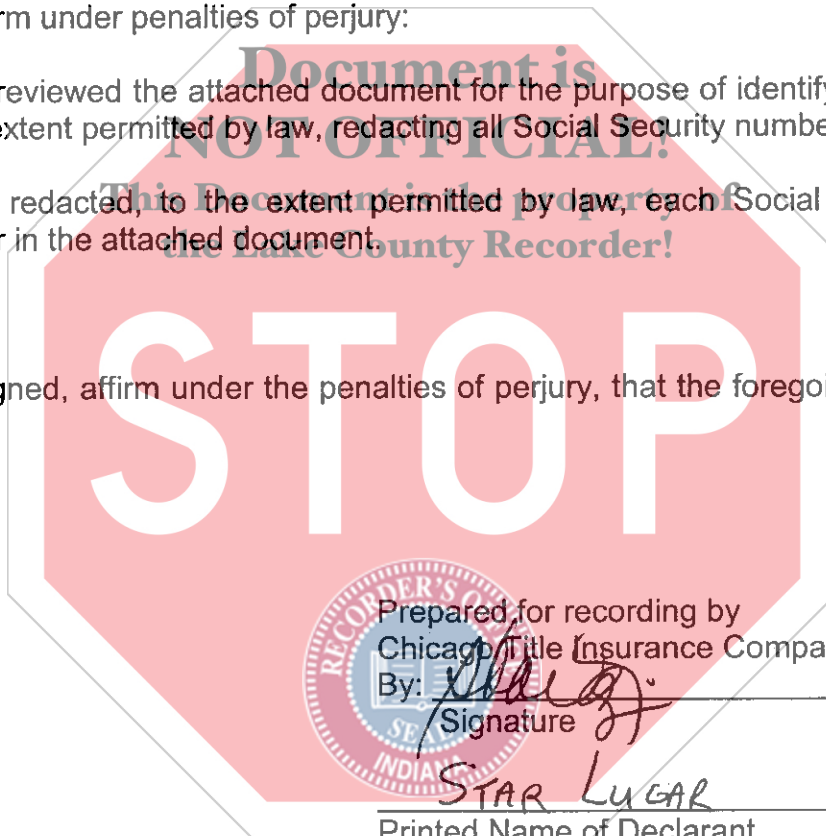


DECLARATION

I, the undersigned preparer of the attached document, in accordance with IC 36-2-7.5, do hereby affirm under penalties of perjury:

1. I have reviewed the attached document for the purpose of identifying and, to the extent permitted by law, redacting all Social Security numbers;
2. I have redacted, to the extent permitted by law, each Social Security number in the attached document.

I, the undersigned, affirm under the penalties of perjury, that the foregoing declarations are true.



Prepared for recording by
Chicago Title Insurance Company

By: [Signature]
Signature

STAR LUGAR
Printed Name of Declarant