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**REAL ESTATE MORTGAGE**

This Real Estate Mortgage ("Mortgage") is given on the 3<sup>rd</sup> day of February, 2006, by **Cynthia J. Bieker, Trustee of the Cynthia J Bieker Revocable Trust, dated September 4, 2002**, ("Borrower"), whose address is **3202 North Drive, Highland, Indiana 46322**, to **Janice Barkowski** ("Lender"), whose address is **9448 Northcote, Munster, Indiana 46321**. Borrower owes Lender the principal sum of **Nineteen thousand five hundred Dollars (U.S. \$19,500.00)**. This debt is evidenced by Borrower's note or other indebtedness dated **February 3, 2006**, ("Note"), which provides for payment in full on or before **January 31, 2007**. This Mortgage secures to Lender: (a) the repayment of the Note, with interest, and all renewals, extensions, and modifications of the Note; (b) the payment of all other sums advanced under this Mortgage, with interest; (c) the performance of Borrower's covenants and agreements under this Mortgage and the Note. For these purposes, Borrower mortgages and warrants to Lender, and to Lender's successors and assigns, the following described real estate ("Real Estate") located in **Lake County, Indiana**:

**Lot 26, Block 10, Homestead Gardens Master Addition, (Blocks 6, 7, 8, 9, 10 and 11), as shown in Plat Book 32, page 46, in the Town of Highland, in Lake County, Indiana.**

TOGETHER WITH (a) all improvements, replacements, additions, and fixtures on the Real Estate, and (b) all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights, growing crops, and timber relating to the Real Estate, all of which are referred to collectively as "Additions", in each case as any of them now exist or may be made, erected, attached, or acquired in the future. The Real Estate and its Additions are called the "Property". The address of the Property is **3202 North Drive, Highland, Indiana.**

COVENANTS OF PARTIES. Borrower and Lender covenant and agree as follows:

1. **BORROWER'S COVENANTS AND WARRANTIES REGARDING REAL ESTATE.** Borrower covenants and warrants to Lender that, as to the Property existing at the time of the execution of this Mortgage, Borrower is lawfully seized of the estate conveyed by this Mortgage, that Borrower has the right to mortgage and grant the Property, that Borrower has good and marketable title to the Property, and that the Property is unencumbered, except for encumbrances of record, and such other encumbrances described in a notice given by Borrower to Lender ("Encumbrances"). Borrower warrants and will defend the title to the Property against all claims and demands, subject to the Encumbrances.

2. **PAYMENT OF NOTE.** Borrower shall pay, when due, all sums payable under the Note, including (but not being limited to) principal, interest, late charges, and prepayment penalty or premium.

3. **APPLICATION OF SUMS.** Unless applicable law or other provisions of this Mortgage or the Note provide otherwise, all payments received by Lender shall be applied in the following order: first, to costs incurred by Lender as a result of Borrower's default under this Mortgage or the Note; second, to late charges; third, to prepayment premium or charge; fourth, to

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DEPT. OF REVENUE  
TAXES FOR RECORDS

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payment for escrow items pursuant to section 4; fifth, to interest; and last, to principal; in each case, when due.

**4. PRESERVATION AND MAINTENANCE OF PROPERTY.**

**4.1 Borrower shall:**

4.1.1 Not commit waste or permit impairment or deterioration of the Property;

4.1.2 Not abandon the Property;

4.1.3 Restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, in the event of any damage, injury, or loss to the Property, whether or not insurance proceeds are available to cover the whole or any part of the costs of such restoration or repair;

**5. INSPECTION.** Lender or its agent shall have the right to inspect the Property at all reasonable times. Lender shall give Borrower notice at the time of, or prior to, an inspection specifying reasonable cause for the inspection.

**6. CONDEMNATION.** In the event that the Property or any part of it shall be condemned and taken under power of eminent domain, the proceeds of any award or claim for damages shall be assigned by Borrower to Lender, and shall be paid to Lender. Such amount shall be credited on the sums then secured by this Mortgage, and the balance, if any, shall be paid to Borrower.

**7. SUCCESSORS AND ASSIGNS BOUND.** All terms of this Mortgage and the Note shall be jointly and severally binding upon Borrower and upon each and all of Borrower's successors in ownership of the Property, as well as upon all heirs and legal representatives of Borrower.

**8. NOTICES.**

8.1 Any notice, designation, consent, approval, offer, acceptance, statement, request, or other communication required or allowed under this Mortgage ("Notice") shall be in writing, and shall be given to a party at the address stated in this Mortgage, or at such other address as a party may designate in a Notice to the other party.

8.2 Notice shall be deemed given when:

8.2.1 Personal service of the Notice is made on the party to be notified (but the party need not be at the address designated under section 14.1);

8.2.2 The Notice is mailed to the party to be notified by means of first class U.S. mail, postage prepaid; or

8.2.3 The Notice is sent to the party to be notified by express courier such as "Federal Express", "Purolator", or such other similar carrier guaranteeing next day delivery.

8.3 Refusal by a party to accept a Notice shall not affect the giving of the Notice.

9. **SEVERABILITY.** A conflict of any provision in this Mortgage or in the Note with applicable law shall not affect other provisions which can be given effect without the conflicting provision. To this end, the provisions of this Mortgage and the Note are declared to be severable.

10. **TRANSFER OF THE PROPERTY.** If all or any part of the Property or any interest in it is sold or transferred without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage.

**11. EVENT OF DEFAULT; ACCELERATION; REMEDIES; REINSTATEMENT RIGHTS.**

11.1 **Event of Default.** For the purposes of this mortgage, the term "Event of Default" shall mean any of the following:

11.1.1 The making by Borrower of any false or inaccurate representation in this Mortgage, the Note, or any document related to them;

11.1.2 Borrower's breach of any warranty made in this Mortgage; or

11.1.3 Borrower's failure to observe or comply with any provision or covenant in this Mortgage, the Note, or any document related to them.

11.2 **Notice of Default.** Lender shall give Notice to Borrower prior to acceleration following an Event of Default (but not prior to acceleration under section 16 unless applicable law provides otherwise). The Notice shall specify:

11.2.1 The Event of Default;

11.2.2 The action required to cure the Event of Default;

11.2.3 A date, not less than 15 days from the date the notice is given to Borrower, by which the Event of Default must be cured; and

11.2.4 That failure to cure the event of Default on or before the date specified in the Notice may result in acceleration of the sums secured by this Mortgage and foreclosure of this Mortgage by judicial proceedings.

11.3 **Acceleration; Remedies.** If an Event of Default is not cured on or before the date specified in the Notice, Lender at its option, shall have the following remedies, which are cumulative and are not mutually exclusive:

11.3.1 May require immediate payment in full of all sums secured by this Mortgage;

11.3.2 May foreclose this Mortgage by judicial proceedings;

11.3.3 May collect all costs incurred in pursuing any remedies including, but not limited to, reasonable attorneys' fees, costs of title evidence and survey, and expenses for environmental testing (which testing Lender reasonably believes is necessary to protect Lender's interest in the Property); and survey and expenses for environmental testing (which testing Lender reasonably believes is necessary to protect Lender's interest in the Property); and

11.3.4 May require payment of escrow items as provided in section 4.7.

11.4 **Joint Liability.** If Borrower consists of more than one person, each person who is a party shall be jointly and severally liable for Events of Default.

11.5 **Borrower's Right to Reinstate.** Borrower shall have the right to reinstate this Mortgage after an Event of Default at any time prior to the entry of judgment upon satisfaction of the following requirements:

11.5.1 Borrower pays Lender all sums due and owing pursuant to this Mortgage or the Note, had acceleration not occurred;

11.5.2 Borrower cures any default of any other covenants or agreements related to the Property; and

11.5.3 Borrower pays all costs incurred in enforcing this Mortgage.

12. **BORROWER NOT RELEASED; FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Lender in exercising any right or remedy under this Mortgage or the Note shall not be a waiver, or preclude the exercise, of any right or remedy.

13. **RELEASE.** Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower (except for recording fees, which shall be Borrower's expense).

14. **WAIVER OF VALUATION AND APPRAISEMENT.** Borrower waives all right of valuation and appraisal laws.

15. MISCELLANEOUS.

15.1 **Governing Law.** This Mortgage shall be governed in all respects, whether as to validity, construction, capacity, performance, or otherwise, by the laws of the State of Indiana.

15.2 **Headings.** Section headings are included solely for convenience, and in no event shall affect or be used in connection with the interpretation of this Mortgage.

15.3 **Time of Essence.** Time is of the essence in this Mortgage.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Mortgage and in any rider(s) executed by Borrower and recorded with it, and Borrower acknowledges receipt of a conformed copy of this Mortgage.

Cynthia J. Bieker Trustee  
(Signature)

Cynthia J. Bieker, Trustee of the Cynthia J. Bieker Revocable Trust, dated 09/04/02  
(Printed Name)

STATE OF INDIANA, COUNTY OF LAKE SS:

On this 3rd day of February, 2006, before me, the undersigned, a Notary Public in and for said County and State, personally appeared Cynthia J. Bieker, Trustee of the Cynthia J. Bieker Revocable Trust Agreement, dated 09/04/02, and acknowledged the execution of the foregoing Mortgage.

Witness my hand and official seal.

My County of Residence: Lake \_\_\_\_\_  
Notary Public

~~My County of Residence: \_\_\_\_\_~~  
Commission Expires 12-27-07  
JOAN M. SEPJAL  
Printed Name

This instrument prepared by: Gilbert F. Blackmun, 9006 Indianapolis Boulevard, Highland, Indiana 46322.

Prescribed by the  
State Board of Accounts  
(2005)

County form 170

Declaration

This form is to be signed by the preparer of a document and recorded with each document in accordance with IC 36-2-7.5-5(a).

I, the undersigned preparer of the attached document, in accordance with IC 36-2-7.5, do hereby affirm under the 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 number in attached document.
2. I have redacted, to the extent permitted by law, each Social Security number in the attached document.

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



Cynthia J. Bieker  
Signature of Declarant

Cynthia J. Bieker  
Printed Name of Declarant