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LAKE COUNTY
FILED FOR RECORD

2006 015112

2006 FEB 27 AM 9:21

Loan #: 21003545998

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BROWN

MORTGAGE

THIS MORTGAGE is made this 17th day of February, 2006
GARRY M VAJDA AND LAURA L VAJDA, HUSBAND AND WIFE

, between the Mortgagor,

and the Mortgagee,

PEOPLES BANK SB

a corporation organized and existing under the laws of the State of Indiana
9204 COLUMBIA AVE
MUNSTER, IN 46321

(herein "Borrower"),

, whose address is

(herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 52,000.00 , which indebtedness is evidenced by Borrower's note dated February 17, 2006 and extensions and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on February 23, 2013

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with the interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described property located in the County of LAKE

, State of Indiana:

PART OF THE NORTH HALF OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 8, TOWNSHIP 34 NORTH, RANGE 8 WEST OF THE 2ND P.M., DESCRIBED AS FOLLOWS: BEGINNING AT THE POINT OF INTERSECTION OF THE EAST LINE OF MAIN STREET IN THE CITY OF CROWN POINT WITH THE SOUTH LINE OF WELLS STREET AND RUNNING THENCE EAST ALONG THE SOUTH LINE OF WELLS STREET 281.09 FEET TO THE EAST LINE OF THE NORTH HALF OF THE WEST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE SOUTH ALONG THE EAST LINE OF SAID TRACT 220 FEET; THENCE WEST TO A POINT IN THE EAST LINE OF MAIN STREET WHICH IS 200 FEET SOUTH OF THE PLACE OF BEGINNING; THENCE NORTH ALONG SAID EAST LINE 200 FEET TO THE PLACE OF BEGINNING, ALL IN THE CITY OF CROWN POINT, LAKE COUNTY, INDIANA, EXCEPT THE EAST 75 FEET THEREOF.



(Page 1 of 6 pages)

INDIANA SECOND MORTGAGE

ITEM 4615L1 (0107)

GREATLAND ■
To Order Call: 1-800-530-9393 □ Fax: 616-791-1131

SOUTHSHORE TITLE LLC
11055 BROADWAY
CROWN POINT, IN 46307

240
SS
B

INDIANA SECOND MORTGAGE

payments or ground rents, if any.

Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

3. Application of Payments. Unless applicable law provides otherwise, all payments received by Lender under the Note and paragraphs 1 and 2 hereof shall be applied by Lender first in payment of amounts payable to Lender by Borrower under paragraph 2 hereof, then to interest payable on the Note, and then to the principal of the Note.

4. Prior Mortgages and Deeds of Trust; Liens. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including application as a credit against the sums secured by this Mortgage.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by

Lender. If under paragraph 17 hereof the Property is sold or otherwise acquired by Lender, Lender shall apply, no later than immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of

Lender, either pro rata or otherwise, to the amount of the Funds held by Lender, either pro rata or otherwise, to the amount necessary to make up the deficiency in one or more payments as Lender may require.

Upon payment in full of all sums secured by this Mortgage, Lender shall promptly refund to Borrower any Funds held by Lender not be sufficient to pay taxes, assessments, insurance premiums and ground rents as they fall due, Borrower shall pay to Lender

repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Lender promptly repaid to Borrower or credited to Borrower on monthly installments of Funds, such excess shall be, at Borrower's option, either pro rata or otherwise, to the amount of the Funds held by Lender, either pro rata or otherwise, to the amount necessary to make up the deficiency in one or more payments as Lender may require.

If the amount of the Funds held by Lender, together with the future monthly installments of Funds payable prior to the secured by this Mortgage.

Funds and the purpose for which each debt to the Funds was made. The Funds are pledged as additional security for the sums Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds. Funds and applicable law requires such interest to be paid, Lender shall not be required to pay Borrower any interest or earnings on the Funds, unless such interest is made or executed on this Mortgage under a written agreement at the time of pay to Borrower, and unless such agreement is made or

payable law permits Lender to make such a charge. Borrower and Lender may agree in writing and holding and applying the Funds, analyzing said account of verifying and compiling said assessments and bills, unless Lender pays Borrower interest on the Funds, assessments, insurance premiums and ground rents, pay so holding and applying the Funds to or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said taxes, assessments, insurance premiums and ground rents. Lender is in an institution the deposits or accounts of which are insured

If Borrower pays Funds to Lender, the Funds shall be held in an escutcheon the deposits or accounts of which are insured

Borrower makes such payments to the holder of a prior mortgage or deed of trust in such holder is in institutional Lender. Borrower makes such payments to the holder of a prior mortgage or deed of trust in such holder is in institutional Lender. Reasonable estimates thereof, Borrower shall not be obliged to make such payments of Funds to Lender to the extent that

insurance, if any, all as reasonably estimated initially and from time to time by Lender on the basis of assessments for mortgages one-twelfth of yearly premium installments for hazard insurance, plus one-twelfth of yearly premium installments for mortgages developed assessment, if any) which may attain priority over this Mortgage condominium unit and planned unit (herein "Funds"), equal to one-twelfth of the yearly taxes and assessments (including condominium unit and planned unit

Lender on the day monthly payments of principal and interest are payable under the Note, until the Note is paid in full, a sum

foregoing, together with said property (or the leasedhold estate if this Mortgage is on a leasedhold) are hereinafter referred to as and rents, all of which shall be deemed to be part of the property covered by this Mortgage; and all of the

TOGETHER with all the improvements now, or hereafter erected on the property, and all easements, rights, appurtenances the "Property".

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 of record. Borrower covenants that

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

and record.

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal and interest indebtedness

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

CROWN POINT, Indiana 46307 (herein "Property Address").

[City] [Street] [Zip Code]

which has the address of

5. Hazard 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 such other hazards as Lender may require and in such amounts and for such periods as Lender may require.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in a form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

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.

If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

6. Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.

7. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such action as is necessary to protect Lender's interest. If Lender required mortgage insurance as a condition of making the loan secured by this Mortgage, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Lender's written agreement or applicable law.

Any amounts disbursed by Lender pursuant to this paragraph 7, with interest thereon, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 7 shall require Lender to incur any expense or take any action hereunder.

8. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefor related to Lender's interest in the Property.

9. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

10. 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 Mortgage granted by Lender to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

11. Successors and Assigns Bound; Joint and Several Liability; Co-signers. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signs this Mortgage, but does not execute the Note, (a) is co-signing this Mortgage only to mortgage, grant and convey that Borrower's interest in the Property to Lender under the terms of this Mortgage, (b) is not personally liable on the Note or under this Mortgage, and (c) agrees that Lender and any other Borrower hereunder may agree to extend, modify, forbear, or make any other accommodations with regard to the terms of this Mortgage or the Note without that Borrower's consent and without releasing that Borrower or modifying this Mortgage as to that Borrower's interest in the Property.

12. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by certified mail addressed to

INDIANA SECOND MORTGAGE

INDIANA SECOND MORTGAGE

of the Property, have the right to collect and retain such rents as they become due and payable.

19. Assignment of Rents; Assignment of Property. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall, prior to acceleration under paragraph 17 hereof or abandonment

Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

as provided in paragraph 17 hereof, including, but not limited to, reasonable attorney's fees; and (d) Borrower takes such action

covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by

discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Borrower pays Lender all sums which would be then due under this Mortgage and the Note had no acceleration occurred; (b) Borrower cures all breaches of any other

18. Borrower's Right to Remitiate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage due to documentary evidence, as set forth in the reports.

without further demand and may foreclose this Mortgagee by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentation and reference affidavits and title reports.

Borrower to accelerate and foreclose. If the breach is not cured on or before the date specified in the notice, Lender's option may declare all of the sums secured by this Mortgage to be immediately due and payable.

acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of preemption, and sale of the Property. The notice shall further inform Borrower of the right to remit after

the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclose by judicial
process, by which such breach must be cured; and (4) that failure to cure such breach on or before

agreement or agreement of Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender prior to acceleration shall give notice to Borrower as provided in paragraph 12 hereof specifying the breaches; (2) the action required to cure such breach; (3) a date, not less than 10 days from the date the specified.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant to pay when due any sums secured by
17. Acceleration; Remedies. Except as provided in paragraph 16 hereof, upon Borrower's breach of any
this document the property of

Buy this Mortgage without further notice or demand on Borrower.

If Lender exercises this option, Lender shall give Borrower notice of acceleration; the notice shall provide a period of at least 30 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this mortgage. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this mortgage.

However, this option shall not be exercised by Lender if Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage.

16. Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without

which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

13. Rehabilitation Loan Agreement: Borrower shall fulfill all of Borrower's obligations under any home improvement, repair, or other loan agreement which Borrower enters into with Lennder. Lennder, at Lennder's option, may require Lennder to execute and deliver to Lennder, in a form acceptable to Lennder, an assignment of any rights, claims or defenses

14. Borrower's Copy. Borrower shall be furnished a conforming copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

provisions of this Mortgage and the Note are declared to be severable. As used herein, "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

provisions of this Note which can be given effect without the conflicting provision, and to this end the

13. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Mortgage. In the event given to borrower or lender when given in the manner designated herein.

and (b) any notice to Lender shall be given by certified mail to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower in the manner designated herein.

or owner at the Property Address or at such other address as Borrower may designate by notice to Lender as provided herein;

and to collect the rents of the Property including those past due. All rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collections of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

20. Release. Upon payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Borrower.

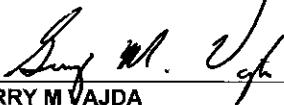
21. Waiver of Valuation and Appraisement. Borrower hereby waives all right of valuation and appraisement.

**REQUEST FOR NOTICE OF DEFAULT
AND FORECLOSURE UNDER SUPERIOR
MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

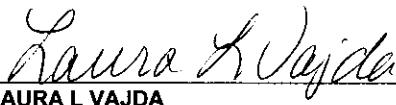
YOU ARE NOT OBLIGATED TO PAY ANY MONEY UNLESS YOU SIGN THIS CONTRACT AND RETURN IT TO THE SELLER/LENDER.

IN WITNESS WHEREOF, Borrower has executed and acknowledges receipt of pages 1 through 6 of this Mortgage.



GARRY M VAJDA

(Seal)
-Borrower



LAURA L VAJDA

(Seal)
-Borrower

**Document is
NOT OFFICIAL!**

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

STOP



Witness:

Witness:

(Seal)
-Borrower

INDIANA SECOND MORTGAGE

ITEM 4615L5 (0107)

(Page 5 of 6 pages)

GREATLAND ■

To Order Call: 1-800-530-9393 □ Fax: 616-791-1131

INDIANA SECOND MORTGAGE

MUNSTER, IN 46321
9204 COLUMBIA AVE

After Recording Return To: PEOPLES BANK SB

This instrument was prepared by: JANE BRIDGMAN, CONSUMER LOAN PROCESSOR
County of residence: LAKE
My commission expires: 11/12/2008

**Document is
NOT OFFICIAL!**

This Document is the property of
the Lake County Recorder!

Notary Public

(name[s] of signer[s])

(a Notary Public) this 17th day of

GARRY M VAJDA AND LAURA L VAJDA, HUSBAND AND WIFE

CHARMAN WILLIAMSON



February, 2006

Before me, CHARMAN WILLIAMSON

State of Indiana
County of LAKE

acknowledged the execution of the annexed mortgage.

STOP

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:

the Lake County Recorder!

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.



Carol J. Hall
Signature of Declarant

CAROL J. HALL

Printed Name of Declarant

Verified for Recording by
Southshore Title LLC