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STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2007 073250

2007 SEP 11 AM 10:39

MICHAEL A. BROWN  
RECORDER

**Return to:**

FHHL - POST CLOSING MAIL ROOM  
1555 W WALNUT HILL LN #200 MC 6712  
IRVING, TX 75038

0061873824

76000175607

**INDIANA  
OPEN-END MORTGAGE  
(Securing Future Advances)**

**THIS MORTGAGE** is given on **August 31st, 2007**

The mortgagor is  
**MICHAEL J KULAK & JENNIFER L KULAK, Husband & Wife**

whose address is  
**275 E. 124TH PLACE, Crown Point, Indiana 46307**

This mortgage is given to  
**FIRST HORIZON HOME LOANS, A DIVISION OF FIRST TENNESSEE BANK N.A.**

whose address is  
**4000 HORIZON WAY, IRVING, TEXAS 75063**

In this Mortgage, the terms "you", "your", and "yours" refer to the mortgagor(s). The terms "we", "us" and "our" refer to  
**FIRST HORIZON HOME LOANS, A DIVISION OF FIRST TENNESSEE BANK N.A.**

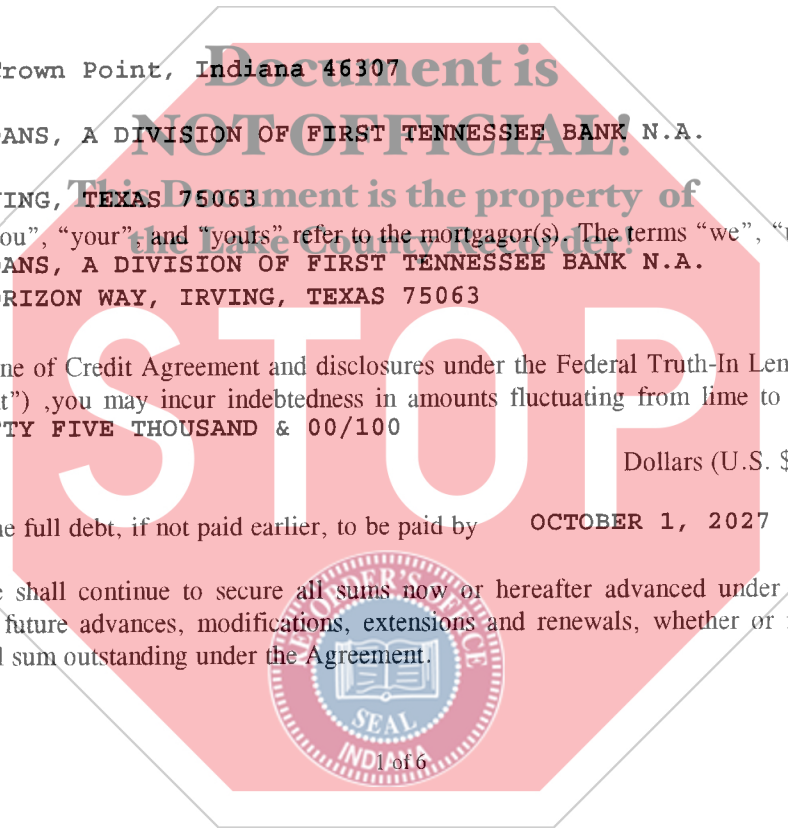
whose address is **4000 HORIZON WAY, IRVING, TEXAS 75063**

Pursuant to a Home Equity Line of Credit Agreement and disclosures under the Federal Truth-In Lending Act dated the same date as this Mortgage ("Agreement") ,you may incur indebtedness in amounts fluctuating from time to time up to the **MAXIMUM PRINCIPAL SUM** of **FIFTY FIVE THOUSAND & 00/100**

Dollars (U.S. \$ **55,000.00**).

The Agreement provides for the full debt, if not paid earlier, to be paid by **OCTOBER 1, 2027**

You agree that this Mortgage shall continue to secure all sums now or hereafter advanced under the terms of the Agreement including, without limitation, future advances, modifications, extensions and renewals, whether or not at the time the sums are advanced there is any principal sum outstanding under the Agreement.



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This Mortgage secures to us: (a) the repayment of the debt evidenced by the Agreement, with interest, and all refinancings, renewals, extensions and modifications of the Agreement; (b) the payment of all other sums, with interest, advanced under paragraph 7 of this Mortgage to protect the security of this Mortgage; and (c) the performance of your covenants and agreements under this Mortgage and the Agreement. For this purpose and in consideration of the debt, you do hereby mortgage, grant and convey to us and our successors and assigns the property located in **Lake** County, Indiana, to wit:  
**All that tract or parcel of land as shown on Schedule "A" attached hereto which is incorporated herein and made a part hereof.**

Which property has the address of: **275 E. 124TH PL.,  
Crown Point, INDIANA 46307**

“Property Address”.

**TOGETHER WITH** all the improvements now or hereafter erected on the property, and all easements, rights, appurtenances, rents (subject to Paragraph 19 hereof) and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Mortgage. All of the foregoing is referred to in this Mortgage as the “Property.”

**YOU COVENANT** that you are lawfully seized of the estate hereby conveyed and have the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. You warrant and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

**YOU AND WE** covenant and agree as follows:

- 1. Payment of Principal, Interest and Other Charges.** You shall pay when due the principal and interest owing under the Agreement and all other charges due under the Agreement.
- 2. Payments of Taxes and Insurance.** You will pay, when due, all taxes, assessments, leasehold payments or ground rents (if any), and hazard insurance on the Property and mortgage insurance (if any).
- 3. Application of Payments.** Unless applicable law provides otherwise, all payments received by us under the Agreement and paragraph 1 may be applied by us first to interest and other charges payable under the Agreement and then to the remaining principal balance under the Agreement.
- 4. Prior Mortgages; Charges; Liens.** You shall perform all of your obligations under any mortgage, deed of trust or other security instruments with a lien which has priority over this Mortgage, including your covenants to make payments when due. You shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Mortgage or any advance under this Mortgage, and leasehold payments or ground rents, if any. Upon our request, you shall promptly furnish to us all notices of amounts to be paid under this paragraph and receipts evidencing any such payments you make directly.

You shall promptly discharge any lien (other than a lien disclosed to us in your application or in any title report we obtained) which has priority over this Mortgage or any advance to be made under the Agreement or this Mortgage.

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**5. Hazard Insurance.** You shall keep the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which we require insurance. This insurance shall be maintained in the amounts and for the periods that we require. You may choose any insurer reasonably acceptable to us.

Insurance policies and renewals shall be acceptable to us and shall include a standard mortgage clause. If we require, you shall promptly give us all receipts of paid premiums and renewal notices. You shall promptly notify the insurer and us of any loss. We may make proof of loss if you do not promptly do so.

Insurance proceeds shall be applied to restore or repair the Property damaged, if restoration or repair is economically feasible and our security would not be lessened. Otherwise, insurance proceeds shall be applied to sums secured by this Mortgage, whether or not then due, with any excess paid to you. If you abandon the Property, or do not answer within 30 days our notice to you that the insurer has offered to settle a claim, then we may collect and use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due. The 30-day period will begin when notice is given.

Any application of proceeds to principal shall not require us to extend or postpone the due date of monthly payments. If we acquire the Property at a forced sale following your default, your right to any insurance proceeds resulting from damage to the Property prior to the acquisition shall pass to us to the extent of the sums secured by this Mortgage immediately prior to the acquisition.

**6. Preservation and Maintenance of Property; Leaseholds.** You shall not destroy, damage or substantially change the Property, allow the Property to deteriorate, or commit waste. If this Mortgage is on a leasehold, you shall comply with the lease. If you acquire fee title to the Property, the leasehold and fee title shall not merge unless we agree to the merger in writing.

**7. Protection of Our Rights in the Property; Mortgage Insurance.** If you fail to perform the covenants and agreements contained in this Mortgage, or there is a legal proceeding that may significantly affect our rights in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce the laws or regulations), then we may do, and pay for, anything necessary to protect the Property's value and our rights in the Property. Our actions may include paying any sums secured by a lien which has priority over this Mortgage or any advance under the Agreement or this Mortgage, appearing in court, paying reasonable attorney's fees, paying any sums which you are required to pay under this Mortgage and entering on the Property to make repairs. We do not have to take any action we are permitted to take under this paragraph. Any amounts we pay under this paragraph shall become additional debts you owe us and shall be secured by this Mortgage. These amounts shall bear interest from the disbursement date at the rate established under the Agreement and shall be payable, with interest, upon our request. Within a reasonable time after advancing any sums, we shall provide you with written notice of the amount of the sums advanced, any charges with respect to the amount, and any revised payment schedule, including the type and amount of any insurance if such insurance is obtained and paid for by us.

If we require mortgage insurance as a condition of making the loan secured by this Mortgage, you shall pay the premiums for such insurance until such time as the requirement for the insurance terminates.

**8. Inspection.** We may inspect the Property at any reasonable time and upon reasonable notice.

**9. Condemnation.** The proceeds of any award for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to us.

**10. You Are Not Released; Forbearance by Us Not a Waiver.** Extension of time for payment or modification of amortization of the sums secured by this Mortgage granted by us to any of your successors in interest shall not operate to release your liability or the liability of your successors in interest. We shall not be required to commence proceedings against any successor in interest, refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by you or your successors in interest. Our forbearance in exercising any right or remedy shall not waive or preclude the exercise of any right or remedy.

**11. Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Mortgage shall bind and benefit your and our successors and permitted assigns. Your covenants and agreements shall be joint and several. Anyone who co-signs this Mortgage but does not execute the Agreement: (a) is co-signing this Mortgage only to mortgage, grant and convey such person's interest in the Property; (b) is not personally obligated to pay the Agreement, but is obligated to pay all other sums secured by this Mortgage; and (c) agrees that we and anyone else who signs this Mortgage may agree to extend, modify, forbear or make any accommodations regarding the terms of this Mortgage or the Agreement without such person's consent.

**12. Loan Charges.** If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from you which exceed permitted limits will be refunded to you. We may choose to make this refund by reducing the principal owed under the Agreement or by making a direct payment to you. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Agreement.

**13. Notices.** Unless otherwise required by law, any notice to you provided for in this Mortgage shall be delivered or mailed by first class mail to the Property Address or any other address you designate by notice to us. Unless otherwise required by law, any notice to us shall be given by first class mail to our address stated above or any other address we designate by notice to you.

**14. Governing Law; Severability.** This Mortgage shall be governed by federal law and, except as preempted by federal law, by the law of jurisdiction in which the Property is located. In the event that any provision or clause of this Mortgage or the Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Agreement which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Agreement are declared to be severable.

**15. Transfer of the Property.** If all or any part of the Property or any interest in it is sold or transferred without our prior written consent, we may, at our option, require immediate payment in full of all sums secured by this Mortgage. However, this option shall not be exercised by us if exercise is prohibited by federal law as of the date of this Mortgage.

**16. Sale of Agreement; Change of Loan Servicer.** The Agreement or a partial interest in the Agreement (together with this Mortgage) may be sold one or more times without prior notice to you. A sale may result in a change in the entity (known as the "Loan Service?") that collects monthly payments due under the Agreement and this Mortgage. There also may be one or more changes of the Loan Servicer unrelated to the sale of the Agreement. If there is a change of the Loan Servicer, you will be given written notice of the change as required by applicable law. The notice will state the name and address of the new Loan Servicer and the address to which payments should be made. The notice will also contain any information required by applicable law.

**17. Hazardous Substances.** You shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. You shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use or storage on the Property of Hazardous Substances in quantities that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

You shall promptly give us written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which you have actual knowledge. If you learn or are notified by any government or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, you shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this Mortgage, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this Mortgage, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

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18. **Acceleration; Remedies.** You will be in default if (1) any payment required by the Agreement is not made when it is due; (2) we discover that you have committed fraud or made a material misrepresentation; or (3) you take any action or fail to take any action that adversely affects our security for the Agreement or any right we have in the Property; or (4) any event occurs that permits us to accelerate the amounts due under the Agreement. If a default occurs, we will give you notice specifying: (a) the default; (b) the action required to cure the default; (c) a date not less than 30 days from the date the notice is given to you, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform you of any right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense you have to acceleration and foreclosure. If the default is not cured on or before the date specified in the notice, we at our option may require immediate payment in full of all sums secured by this Mortgage without further demand and may foreclose this Mortgage by judicial proceeding. We shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees (which fees shall be allowed and paid as part of the decree of judgment) and cost of title evidence.

19. **Assignment of Rents.** As additional security hereunder, You hereby assign to Us the rents of the Property, provided, however, that you shall have prior to acceleration under Paragraph 18 hereof or abandonment of the Property, the right to collect and retain such rents as they become due and payable.

20. **Satisfaction.** Upon your request and payment of all sums secured by this Mortgage, we shall cause the entry of satisfaction to be made upon the records of this Mortgage. You shall pay all costs and fees for entering the satisfaction upon the records of this Mortgage.

21. **Waiver of Homestead.** You hereby waive all right of homestead exemption in the Property.

22. **Riders to this Mortgage.** If one or more riders are executed by you and recorded together with this Mortgage, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Mortgage as if the rider(s) were part of this Mortgage.

- Condominium Rider       1-4 Family Rider       Planned Unit Development Rider  
 Other(s)(specify)

**Request for Notice of Default and Foreclosure  
Under Superior Mortgages or Deeds of Trust**

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

BY SIGNING BELOW, you accept and agree to the terms and covenants contained in the Mortgage and any rider(s) executed by you and recorded with it.

In Witness whereof the Mortgagor(s) has executed this Mortgage the day and year first written above.

Michael J Kulak  
MICHAEL J KULAK, Mortgagor

Jennifer L Kulak  
JENNIFER L KULAK, Mortgagor

\_\_\_\_\_, Mortgagor

\_\_\_\_\_, Mortgagor

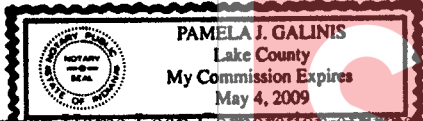
STATE OF INDIANA, County of LAKE ss:

On this 31st day of August, 2007, before the undersigned, a Notary Public in and for said county, personally appeared MICHAEL J KULAK & JENNIFER L KULAK

and acknowledged the execution of this security instrument.

Given under my Hand and Seal of Office, the day and year aforesaid,

My commission expires: 5-4-2009 [Signature], Notary Public



Affirmation

First Horizon Home Loan Corporation affirms, under the penalties of perjury, that it has taken reasonable care to redact each Social Security Number in this document.

Statement

Prepared by:  
FIRST HORIZON HOME LOANS,  
A DIVISION OF FIRST TENNESSEE BANK N.A.  
429 E. UNIVERSITY DR.  
GRANGER, IN 46530



**RIDER TO THE DEED OF TRUST / MORTGAGE / SECURITY DEED**

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Date: 8/31/2007

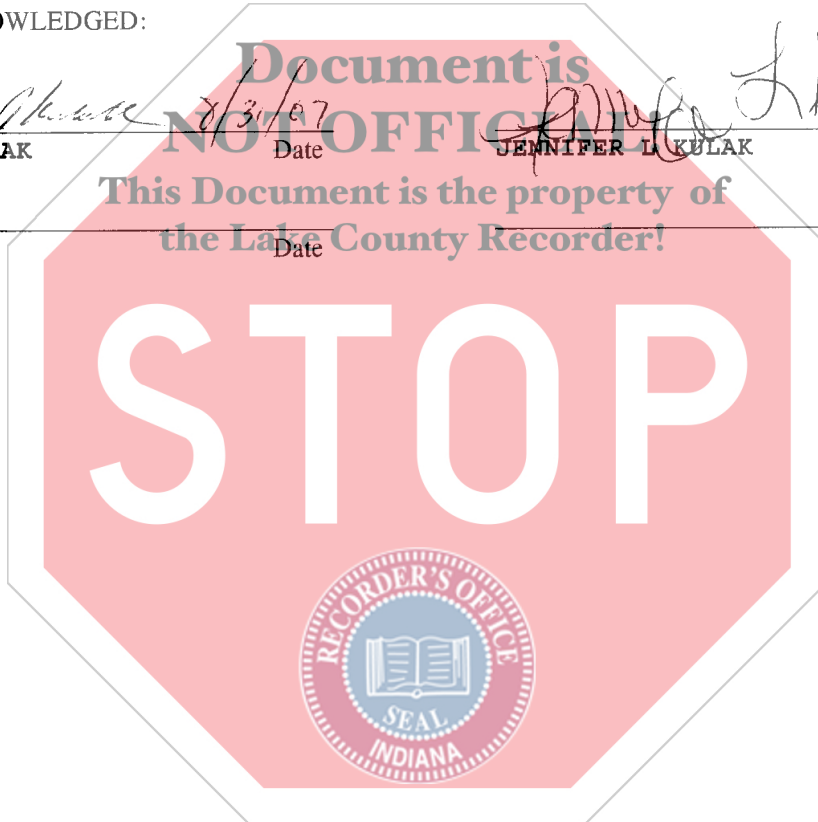
The escrow of taxes and insurance required in your DEED OF TRUST/MORTGAGE/SECURITY DEED to **FIRST HORIZON HOME LOANS, A DIVISION OF FIRST TENNESSEE BANK N.A.** is hereby waived and you are notified that you are not required to deposit with **FIRST HORIZON HOME LOANS, A DIVISION OF FIRST TENNESSEE BANK N.A.** any of the amounts set forth in said paragraph. This waiver does not, in any way release you from your obligation to make escrow payments of taxes and insurance to the holder of any prior mortgage, nor does it relieve you of your obligation to keep taxes and insurance premiums current with respect to the mortgaged property.

RECEIPT ACKNOWLEDGED:

*Michael J Kulak* 8/31/07 *Jennifer L Kulak* 8/31/07  
MICHAEL J KULAK Date JENNIFER L KULAK Date  
This Document is the property of  
the Lake County Recorder! Date Date

HELOC RIDER 0507

FH6D444



Stewart Title Services of Northwest Indiana, LLC

5521 W. Lincoln Highway, Suite 205

Crown Point, Indiana 46307

File No: 760001756

EXHIBIT A - LEGAL DESCRIPTION

Lot 61 in Pine Hill Phase 2, an Addition to the City of Crown Point, as per plat thereof, recorded in Plat Book 93, page 71, in the Office of the Recorder of Lake County, Indiana.

