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MORTGAGE

THIS MORTGAGE ("Security Instrument") is given on the 1st day of September, 2012. The mortgagor is **EVOLUTION INVESTMENTS, LLC** ("Borrower"). This security instrument is given to **KENNETH M. FRIED**, whose address is 1204 Ballybunion Court, Dyer, IN 46311 ("Lender"). Borrower owes Lender the principal sum of One Hundred Thousand (\$100,000) Dollars.

This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for full payment on August 31, 2027. This security instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following described property located in Lake County, Indiana:

Parcel 1: The South 235 feet of Lot 3, Sheri's Addition to the Town of Highland, as recorded in Plat Book 60, page 7, in the Office of the Recorder of Lake County Indiana, Unit A.

Commonly known as 9717 Prairie Avenue, Unit A
(Property Address)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter are part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as 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 warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT contains covenants to constitute a security instrument covering real property
COVENANTS - Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest: Prepayment and Late Charges.** Borrower shall promptly pay when due the principal of and interest on the debt evidenced by the Note and any late charges due under the Note.
2. **Taxes and Insurance.** Borrower shall pay all taxes or assessments levied or assessed against the mortgage premises or any part thereof as and when the same become due and before penalties accrue.
3. **Application of Payments.** All payments received by Lender under paragraph 1 shall be applied: first, to interest due; second, to principal due; and last, to any late charges due under the Note.

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STATE OF INDIANA
LAKE COUNTY
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4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines and impositions attributable to the Property which may attain priority over this Security Instrument, and leasehold payments or ground rents, if any. Borrower shall pay these obligations on time directly to the person owed payment. Upon request by Lender, Borrower shall promptly furnish to lender receipts evidencing the payments

Borrower shall promptly discharge any lien which has priority over this security instrument, unless Borrower (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. **Hazard or Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against the loss by fire, hazards included within the term "extended coverage" and any other hazards, including floods or flooding, for which Lender requires insurance. The insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with Paragraph 7.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgage clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. 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.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to the Borrower. If Borrower abandons the Property, or does not answer within 30 days notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the

Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.

6. **Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate, or commit waste on the Property. Borrower shall be in default if any forfeiture action or proceeding, whether civil or criminal, is begun that in Lender's good faith judgement could result in forfeiture of the Property or otherwise materially impair the lien created by this Security Instrument or Lender's security interest. Borrower may cure such default and reinstate, as provided in paragraph 16, by causing the action or proceeding to be dismissed with a ruling that in Lender's good faith determination, precludes forfeiture of the Borrower's interest in the Property or other material impairment of the lien created by this Security Instrument or Lender's security interest.

7. **Protection of Lender's Rights in the Property.** If Borrower fails to perform the covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's right in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this paragraph 7, Lender does not have to do so.

Any amounts disbursed by Lender under this paragraph 7 shall become additional debt of Borrower secured by this Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

8. **Inspection.** Lender or its agents may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.
9. **Condemnation.** The proceeds of any award or claim 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 Lender.

In the event of total taking of the Property, the proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the taking, unless Borrower and Lender otherwise agree in writing, the sums secured by this

Security Instrument shall be reduced by the amount of the proceeds multiplied by the following fraction. (a) the total amount of the sums secured immediately before the taking, divided by (b) the fair market value of the Property immediately before the taking. Any balance shall be paid to Borrower. In the event of a partial taking of the Property in which the fair market value of the Property immediately before the taking is less than the amount of the sums secured immediately before the taking, unless Borrower and Lender otherwise agree in writing or unless applicable law otherwise provides, the proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due

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 Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successors in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modifying amortization of the sums secured by this Security Instrument by reason of any demand made by the original borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of 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 security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 13. Borrower's covenants and Agreements shall be joint and several
12. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first-class mail. The notice shall be directed to the property address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first-class mail to Lender's address stated herein or any other address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.
13. **Governing Law; Severability.** The Security Instrument shall be governed by the laws of the State of Indiana
14. **Borrower's Copy.** Borrower shall be given one confirmed copy of the Note and of this Security Instrument.

15. **Transfer of 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 Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this security instrument

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 15 days from the date the notice is delivered or mailed within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this security instrument without further notice or demand on Borrower.

16. **Borrower's Right to Reinstate.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earlier of (a) 5 days before sale of the Property pursuant to any power of sale contained in this Security Instrument; or (b) entry of a judgment enforcing this security Instrument. Those conditions are that borrower (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure this security Instrument shall continue unchanged. Upon reinstatement by Borrower, this security Instrument and the obligations secured hereby shall remain fully effective as if no acceleration has occurred. However, this right to reinstate shall not apply in the case of acceleration under paragraph 15.

17. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any hazardous substances on or in the Property. Borrower 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 small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender 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 Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 17, "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 paragraph 17, "Environmental Law" means Federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

- 18. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under paragraph 15). The notice shall specify: (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 Borrower, 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 Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. If the default is not cured on or before the date specified in this notice, Lender, at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may foreclose this Security Instrument by judicial proceeding. Lender 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 and costs of title evidence.
- 19. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and any rider(s) executed by Borrower and recorded with it.

Witnesses:







JOHN J EVANICH
MANAGING MEMBER
EVOLUTION INVESTMENTS, LLC

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public, in and for said County and State, this 30th day of August, 2012, personally appeared John J Evanich, Managing Member of Evolution Investments, LLC, and acknowledged the execution of the foregoing Mortgage.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.

Sandra J. Kreevich
Notary Public

My Commission Expires:

3-20-20

Document is NOT OFFICIAL!
SANDRA J. KREEVICH
Notary Public, State of Indiana
SEAL
My Commission Expires 3/20/2020

My County of Residence:

LAKE

This Document is the property of the Lake County Recorder!

"I AFFIRM, UNDER THE PENALTIES FOR PERJURY, THAT I HAVE TAKEN REASONABLE CARE TO REDACT EACH SOCIAL SECURITY NUMBER IN THIS DOCUMENT UNLESS REQUIRED BY LAW."
PREPARED BY: [Signature]



NOTE

This Note is made this 1st day of September, 2012.

9717 Prairie Avenue, Unit A, Highland, IN 46322
(Property Address)

BORROWER'S PROMISE TO PAY

I promise to pay One Hundred Thousand (\$100,000 00) Dollars (This amount is called "principal") plus interest to the order of the Lender The Lender is KENNETH FRIED, 1204 Ballybunion Court, Dyer, IN 46311 I understand the Lender may transfer this Note The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this note is called the "Note Holder"

INTEREST.

Interest will be charged on unpaid principal until the full amount of principal has been paid I will pay interest at a yearly rate of 3 00% The interest rate required by this Section is the rate I will pay both before and after any default described in Section 5(B) of this Note

PAYMENTS

Time and place of payment – I will pay, at a minimum, interest every month

I will make my monthly payments on the 1st day of the month beginning on October 1, 2012 I will make these payments every month until I have paid all of the principal and interest and any charges described below that I may owe under this Note My monthly payments will be applied to interest before principal If on August 31, 2027, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "maturity date "

Amount of Monthly Payment – My monthly payment will be in the amount of \$690 58 in U S currency

BORROWER'S RIGHT TO PREPAY

I have the right to make payments of principal at any time before they are due A payment of principal only is known as a "prepayment" When I make a prepayment, I will tell the Note Holder in writing that I am doing so

I may make full prepayment or partial payments without paying any prepayment charge The Note Holder will use all of my prepayment to reduce the amount of principal that I owe under this Note If I made a principal prepayment, there will be no changes in the due date or in the amount of my monthly payment unless the Note Holder agrees in writing to those changes

BORROWER'S FAILURE TO PAY AS REQUIRED

Late charge for overdue payments – If the Note Holder has not received the full amount of the payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder The amount of the charge will be 10% of my overdue payment of principal and interest I will pay this late charge promptly but only once on each late payment

Default - If I do not pay the full amount of each monthly payment on the date it is due, I will be in default

Notice of Default - If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the amount by a certain date, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe in that amount

No Waiver by Note Holder – Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time

Payment of Note Holder's Cost and Expenses – If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law Those expenses include, for example, reasonable attorney fees

GIVING OF NOTICES

Any notice that must be given to me under this Note will given by delivering it or by mailing it by first-class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address

Any notice that must be given to the Note Holder under this Note will given by mailing it by first-class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address

WAIVERS

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor "Presentment" means the right to require the Note Holder to demand payment of amounts due "Notice of dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid

SECURED NOTE

In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in the Note That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under the Note

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED

[Signature]

JOHN J EVANICH, MANAGING MEMBER
EVOLUTION INVESTMENTS, LLC

[Signature]

JOHN J EVANICH, INDIVIDUAL

[Signature]

LORI M EVANICH, INDIVIDUAL

STATE OF INDIANA)
)SS
COUNTY OF LAKE)



Before me, the undersigned, a Notary Public, in and for said County and State, this 30 Day of Aug 2012 Personally appeared JOHN J. EVANICH and LORI M. EVANICH and acknowledged the execution of the foregoing Note

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal

Notary Public Sandra J. Kreevich My Commission Expires 3-20-20 My County of Residence LAKE

SANDRA J. KREEVICH
Notary Public, State of Indiana
SEAL
My Commission Expires 3/20/2020

