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MICHAEL J. DOWD
RECORDER

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After Recording Return to:
James M. Yannakopoulos
Koransky, Bouwer & Poracky, P.C.
425 Joliet St., Ste. 425
Dyer, Indiana 46311

MORTGAGE

SE DEVELOPMENT HOLDING, LLC (the "Borrower") mortgages and warrants to **David VanDyke** (the "Lender") the property legally described in Exhibit A attached to this Mortgage and commonly known as 9616 Indianapolis Boulevard, Highland, IN 46322 to secure the repayment of a Note hereinafter defined, which matures on the Maturity Date hereinafter defined, with this mortgage being dated and duly signed, sealed, and acknowledged by the grantor, shall be deemed and held to be good and sufficient mortgage to the grantee, his or her heirs, assigns, executors, and administrators, with warranty from the grantor and his or her legal representatives, of perfect title in the grantor, and against all previous encumbrances identified hereinafter.

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ARTICLE I

This Document is the property of

RECITALS

the Lake County Recorder!

Execution and Delivery of Note

1.01. Borrower has executed and delivered to Lender a Promissory Note ("Note") bearing the same date as this Mortgage, promising to pay to the Lender the principal sum of Fifty Five Thousand Dollars (\$55,000.00) in lawful money of the United States of America. This money was advanced by the Lender to the Borrower, with interest on the principal sum at the rate set forth in the terms and conditions specified in the Note, any unpaid remaining balance provided for in the Note or in this Mortgage being due and payable on or before April 29, 2015 ("the Maturity Date"). The terms of the Note are incorporated into this Mortgage by this reference.

Mortgage of Property

1.02. In consideration of the loan described above, and as security for repayment to the Mortgagee of the principal, interest, and any other sums provided for in the Note and the Mortgage according to the terms and conditions of the Note and Mortgage, and as security for performance of the agreements and conditions contained in the Note and the Mortgage, the Borrower mortgages to the Lender the real estate described in Exhibit A together with the following:

- (a) All buildings and improvements erected or to be erected on the property;
- (b) All fixtures, appliances, machinery, equipment, and other articles of personal property at any time installed in, attached to, or situated on the real estate or in the buildings and improvements to be erected on the real estate, or used or intended to be used in connection with the real estate, or in the operation of the buildings and improvements, plant, business, or dwelling on the real estate, whether or not the personal property is affixed to the real estate;

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1 am

- (c) All building materials, fixtures, building machinery, and building equipment delivered on site to the real estate during the course of, or in connection with, construction of the buildings and improvements;
- (d) All streets, alleys, passages, watercourses, easements, and covenants existing or to be created for the benefit of the Borrower or any subsequent owner or tenant of the mortgaged real estate over ground adjoining the mortgaged real estate, and all rights to enforce their maintenance;
- (e) All other rights, privileges, reversions, and remainders, and all the income, rents, and profits arising from them, and all other interests or rights of the Borrower in the real estate; and
- (f) The replacements or proceeds from the sale of any of the above.

All of the above-mentioned real estate, improvements, personal property, and other property and interests will be referred to in this instrument as the "Mortgaged Property."

ARTICLE II

COVENANTS OF BORROWER

Warranty of Title

2.01. The Borrower has good and marketable fee simple title to the Mortgaged Property, free and clear of all liens, encumbrances, charges, and all other conditions except those exceptions shown on Exhibit B attached to this Mortgage.

Payment and Performance

2.02. The Borrower will pay to the Lender, in accordance with the terms of the Note and this Mortgage, the principal, interest, and all other sums, and will perform and comply with all the agreements, conditions, covenants, provisions, and stipulations of the Note and this Mortgage.

Condemnation Awards

2.03. All awards made to the owners of the Mortgaged Property by any governmental or other lawful authorities for Mortgaged Property taken or damaged through exercise of eminent domain, or for any easement taken in the property, including any awards for changes of grade of streets, are assigned to the Lender, who is authorized to collect and receive the proceeds from the authorities and to give proper receipts for those awards. The Lender will apply these payments (after deduction of attorneys' fees and other costs of collecting the funds) toward the payment of the amount owed on this Mortgage and the accompanying Note, even though the amount owed may not then be due and payable. The Borrower agrees, on request, to make any assignments or other instruments needed to assign the awards to the Lender, free and clear of any encumbrances. The Borrower agrees to give the Lender immediate notice of the actual or threatened commencement of any eminent domain proceedings affecting the Mortgaged Property, and will give the Lender copies of any papers served on the Borrower in connection with those proceedings. The Borrower will not make any settlement for damages sustained without the Lender's prior written approval, which approval will not be unreasonably withheld.

Insurance

2.04. The Borrower will keep the Mortgaged Property continuously insured. The Borrower will also keep the property insured against such other hazards as the Lender may reasonably require. All policies of insurance required by the terms of this Paragraph will contain an endorsement or agreement by the insurer that any loss will be payable in accordance with the terms of the policy notwithstanding any act or negligence of the Borrower that might otherwise result in forfeiture of insurance. All policies will also contain an agreement by the insurer waiving all rights of set off, counterclaim, or deductions against the Borrower. All policies of insurance will be issued by companies and in amounts satisfactory to the Lender. All policies of insurance will contain a mortgagee clause in favor of the Lender, not subject to contribution, and a lender's loss payable

endorsement for the benefit of the Lender, all in forms satisfactory to the Lender. In the event the Borrower fails to provide, maintain, or deliver and furnish to the Lender the policies of insurance required by this Mortgage, the Lender may procure insurance for the risks, covering the Lender's interest. The Borrower will pay all premiums on insurance procured by the Lender promptly on demand. Until payment is made by the Borrower, the amount of all premiums, together with interest at a rate that will be five percent per year higher than the rate specified in the Note, will be secured by this Mortgage. In the event of loss, the Borrower will give immediate notice to the Lender, and the Lender may make proof of loss if not made promptly by the Borrower. Each insurance company is hereby authorized and directed to make payment under the insurance, including return of unearned premiums, directly to the Lender instead of to the Borrower and the Lender jointly, and the Borrower appoints the Lender, irrevocably, as the Borrower's attorney-in-fact, to endorse any insurance draft. The Lender will have the right to retain and apply the proceeds of any insurance, at its election, to reduction of the indebtedness secured by this Mortgage, or to restoration or repair of the property damaged. If the Lender becomes the owner of any part of the Mortgaged Property by foreclosure or otherwise, the policies, including all rights, title, and interest of the Borrower under those policies, will become the absolute property of the Lender.

Taxes and Other Charges

2.05. The Borrower will pay all taxes, assessments, water and sewer rents, and other charges or claims assessed, levied, or filed against the Borrower, the Mortgaged Property, or the interest of the Lender in the Mortgaged Property, or that, by law, may have priority over the indebtedness secured by this Mortgage. These expenses will be paid when due and payable and before interest or penalties accrue. The Borrower will provide the Lender with receipts for payments of these amounts no later than the payment dates. If the Borrower, in good faith and by appropriate legal action, contests the validity or amount of any item, the Borrower may establish on its books or by deposit of cash with the Lender, as the Lender may elect, a reserve for the payment in an amount required by the Lender. If a reserve is established, the Borrower will not be required to pay the item or to produce the required receipts while the reserve is maintained and so long as the contest that operates to prevent collection has not been terminated or discontinued adversely to the Borrower, and is maintained and prosecuted with diligence.

Compliance with Law and Regulations

2.06. The Borrower will comply with all laws, ordinances, regulations, and orders of all federal, state, municipal, and other governmental authorities relating to the Mortgaged Property.

Defaults and Right to Remedy

2.07. If the Borrower fails to pay taxes, assessments, water and sewer charges, other lienable claims (not including contested claims), or insurance premiums, fails to comply with its obligations under the Mortgage, the Note, or any other document executed in connection with the Mortgage, then the Lender, at its election and without notice to the Borrower, has the right to make any payment or expenditure that the Borrower should have made, or that the Lender deems advisable, to protect the security of this Mortgage or the Mortgaged Property. Any payment by the Lender will not prejudice the Lender's rights or remedies under this Mortgage. All sums, as well as costs, advanced by the Lender pursuant to this Mortgage will be due immediately from the Borrower to the Lender, will be secured by this Mortgage, and will bear interest at the rate otherwise provided in the Note from the date of payment by the Lender until the date of repayment.

ARTICLE III **DEFAULT AND REMEDIES**

Events of Default

3.01. Any of the following will constitute an "Event of Default":

- (a) Failure of the Borrower to pay any installment of principal or interest, or any other sum, on the date it is due under the Note or this Mortgage, subject to any applicable grace period provided in the Note or in this Mortgage;
- (b) The Borrower's failure to perform any of the other agreements, conditions, or covenants in the Note, the Mortgage, or any other document executed in connection with the Mortgage within five business days after notice from the Lender;
- (c) The entry of a decree by a court having jurisdiction over the Mortgaged Property with respect to the Borrower in an involuntary case under the federal bankruptcy laws, or any other applicable federal or state bankruptcy, insolvency, or similar laws;
- (d) The appointment of a receiver, liquidator, custodian, trustee, (or similar official) for any substantial part of the Borrower's property;
- (e) A court-ordered winding-up or liquidation of the Borrower's affairs;
- (f) The commencement by the Borrower of a voluntary case under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency, or similar laws;
- (g) The consent by the Borrower to the appointment of a receiver, liquidator, trustee, custodian, or similar official for any substantial part of the Borrower's property; or
- (h) The Borrower's making any assignment for the benefit of creditors, or the failure of the Borrower generally to pay its debts as they become due.

Remedies

3.02. Lender's remedies include the following:

- (a) If any Event of Default occurs, the entire unpaid balance of principal, accrued interest, and all other sums secured by this Mortgage will become immediately due and payable, at the option of the Lender on written notice to the Borrower.
- (b) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, then the Lender may institute an action of mortgage foreclosure, or take any other action at law or in equity for the enforcement of this Mortgage and realization on the mortgage security that the law may allow. The Lender may proceed to final judgment and execution for the entire unpaid balance of the principal debt, with interest at the rate(s) stipulated in the Note, and all other sums due in accordance with the provisions of the Note and this Mortgage. This amount includes all sums that may have been loaned by the Lender to the Borrower after the date of this Mortgage, and all sums that may have been advanced by the Lender for taxes, water or sewer rents, other lienable charges or claims, insurance, repairs, maintenance, and all costs of the suit. The Borrower authorizes the Lender at its option to foreclose this Mortgage subject to the rights of any tenants of the Mortgaged Property. The Borrower will not assert the failure to make any tenants parties to the foreclosure proceedings as a defense to any proceedings instituted by the Lender to recover the indebtedness secured by this Mortgage or any deficiency remaining unpaid after the foreclosure sale. The mortgagor is not prevented from asserting in any proceedings disputing the amount of the deficiency or the sufficiency of any bid at the foreclosure sale that any tenants adversely affect the value of the Mortgaged Property.
- (c) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, the Lender will be entitled to appointment of a receiver without regard to the solvency of the Borrower or any other person liable for the debt secured by this Mortgage, and regardless of whether the Lender has an adequate remedy at law. Either the Lender or a receiver may rent the Mortgaged Property for any period and on any terms and conditions that the Lender or receiver may see fit. The Lender or the receiver may collect rents, and, after deducting all costs of collection and administration expense, apply the net rentals to the payment of taxes, water and sewer rents, other lienable charges and claims, and insurance premiums, and to the maintenance, repair, or restoration of the Mortgaged

Property, or to the reduction of the principal or interest, as the Lender or the receiver may elect. For that purpose, the Borrower assigns to the Lender all rentals due under any existing or future lease of the Mortgaged Property, as well as all rights and remedies provided in the lease or at law or in equity for the collection of the rentals. Any lease or leases entered into by the Lender or the receiver pursuant to this Paragraph 3.02 will survive foreclosure of the Mortgage and repayment of the debt, unless the lease provides otherwise.

(d) When the entire indebtedness becomes due and payable, because of maturity or because of any Event of Default, the Lender has the power to grant, bargain, sell, release, and convey the premises with the appurtenances at public auction and to execute and deliver to the purchaser or purchasers, good and sufficient deeds of conveyance as provided by statute, and from the proceeds to retain all sums due according to this Mortgage and the Note, including the costs and charges of the sale, and the attorneys' fees provided by law, returning the surplus money, if any, to the Borrower, or the Borrower's successors or assigns.

Attorneys' Fees

3.03. If the Lender becomes a party to any suit or proceeding affecting the Mortgaged Property, the lien created by this Mortgage, or the Lender's interest in the Mortgaged Property, or if the Lender engages counsel to collect any of the indebtedness or to enforce performance of the agreements or covenants of this Mortgage or the Note, the Lender's costs, expenses, and reasonable attorneys' fees will be paid by the Borrower, on demand, with interest at the rate provided in the Note. Until paid they will be deemed to be part of the indebtedness evidenced by the Note and secured by this Mortgage.

ARTICLE IV ADDITIONAL PROVISIONS

Satisfaction of Mortgage

4.01. If the Borrower pays the Lender the principal sum and all other sums secured by this Mortgage in accordance with the provisions of the Note, then the Lender must provide Borrower with a release of mortgage or other evidence of satisfaction as requested by Borrower.

Partial Release of Property

4.02. The Lender agrees to release portions of the Mortgaged Property from the lien of this Mortgage, provided no Event of Default has occurred, on the following terms and conditions:

- (a) The portions to be released will consist of individual separate lot(s) from those identified on Exhibit A;
- (b) The Borrower will pay the Lender a Principal Reduction Payment, as such term is defined in the Note, for each lot to be released or the balance secured by this Mortgage, whichever is less; and
- (c) All costs incident to the preparation and recording of release documents will be borne by the Borrower.

Due-on-Sale Clause

4.03. Without the prior written consent of the Lender, the Borrower will not cause or permit any sale, exchange, transfer, or conveyance ("transfer") of any part of the Mortgaged Property, or any interest in it, voluntarily or by operation of law other than leases in the ordinary course of the Borrower's business. If the Borrower is a corporation, any change in the ownership of the corporate stock of the Borrower or the issuance of additional stock that results in the transfer of control and management of the Borrower will be deemed to be a transfer of the Mortgaged Property within the meaning of this Article. If the Borrower is a partnership, any change in the ownership of partnership interests of the Borrower will be deemed to be a transfer of the Mortgaged Property within the meaning of this Article.

Notices

4.04. All notices permitted or required under this Mortgage or the Note will be in writing, and will be sent by registered or certified mail, postage prepaid, addressed to the addressee at the address set forth in this Mortgage or in the Note, or at such other address as the addressee may designate in writing from time to time.

State Law to Apply

4.05. This Mortgage shall be construed under and in accordance with the laws of the State of Indiana.

Amendment

4.06. This Mortgage cannot be changed or amended except by agreement in writing signed by the party against whom enforcement of the change is sought.

Parties Bound

4.07. This Mortgage will be binding on and inure to the benefit of the parties and their respective heirs, personal representatives, successors, and assigns.

Captions

4.08. The captions preceding the text of the paragraphs or subparagraphs of this Mortgage are inserted only for convenience of reference and will not constitute a part of this Mortgage, nor will they in any way affect its meaning, construction, or effect.

IN WITNESS WHEREOF, Mortgagor has caused this instrument to be executed as of the day and year first above written.

SE DEVELOPMENT HOLDING, LLC

By: _____

Name: _____

Title: _____

Document is NOT OFFICIAL!
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STATE OF INDIANA)

) SS

COUNTY OF LAKE)

I, the undersigned, a Notary Public in and for said County, in the state aforesaid, DO HEREBY CERTIFY that David VanDyke, as manager of SE DEVELOPMENT HOLDING, LLC acknowledged that he signed and delivered the said instrument as his own free and voluntary act and the free and voluntary act of said Company for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 30th day of April, 2013.

NOTARY PUBLIC

My Commission Expires: _____

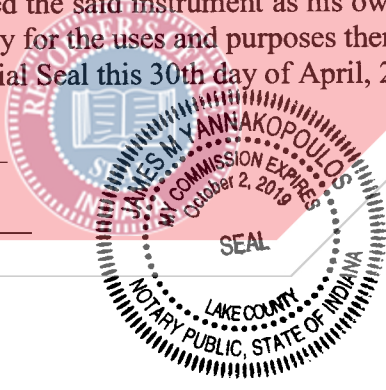


EXHIBIT A

Legal Description

Lots One Hundred Thirteen (113) and One Hundred Eighteen (118) in Stonebridge Estates, Phase Three, an Addition, to the Town of Schererville, as per plat thereof, recorded in Plat Book 94, page 4, and as amended by Certificate of Amendment recorded September 22, 2005 as Document Number 2005 083058 in the Office of the Recorder of Lake County, Indiana.



EXHIBIT B

Title Exceptions

- a) Real Estate Taxes that are not yet due and owing;
- b) Building lines and easements as evidenced on the recorded Plat in Stonebridge Estates, Phase One recorded in Plat Book 92, page 23 in the Office of the Recorder of Lake County, Indiana.
- c) Building lines and easements as evidenced on the recorded Plat in Stonebridge Estates, Phase Two recorded in Plat Book 96, page 43 in the Office of the Recorder of Lake County, Indiana.
- d) Building lines and easements as evidenced on the recorded Plat in Stonebridge Estates, Phase Three recorded in Plat Book 94, page 4 in the Office of the Recorder of Lake County, Indiana.
- e) Declaration of Restrictions recorded March 11, 2003 as Instrument No. 2003 025438, amended by Declaration recorded October 9, 2003 as Instrument No. 2003 109219 and amended by First Amendment recorded February 7, 2007 as Instrument No. 2007 011042 and further amended by Second Amendment recorded October 10, 2007 as Instrument No. 2007 080951 and lastly amended by Third Amendment recorded January 23, 2008 as Instrument No. 2008 005112 all in the Office of the Recorder of Lake County, Indiana. Restrictions do not provide for forfeiture or reversion for violation thereof.
- f) Assessments for expenses levied in favor of Stonebridge Estates Homeowners Association, Inc., pursuant to the Declaration, which assessments are subordinate to the lien of any first mortgage.
- g) Easement in favor of the Lake County Surveyor and Drainage Board to maintain Schererville Ditch pursuant to IC36-9-27-33 of the Indiana Drainage Code. Said easement affects an area that is measured at right angles from the top bank of said Schererville Ditch and extended outward a distance of 75 feet.
- h) Easement and associated rights granted to Shell Oil Company in an instrument dated February 19, 1952 and recorded April 12, 1952 in Miscellaneous Record 565, page 399 as Instrument No. 602220 in the Office of the Recorder of Lake County, Indiana.
- i) Easements for discharge of storm water and vehicular ingress and egress in favor of Home Depot U.S.A., Inc., a Delaware Corporation, dated September 28, 1998 and recorded October 8, 1998 as Instrument No. 98079852 in the Office of the Recorder of Lake County, Indiana.

