REAL ESTATE MORTGAGE

THIS INDENTURE WITNESSETH, that WILLIAM LOONEY and BARBARA J. LOONEY, husband and wife, mortgage and warrant to Gary National Bank of Lake County, State of Indiana, the following described real estate:

> Lots 4, 5 and the South Half of Lot 3, Block 1, W. John Borak Subdivision, as shown in Plat Book 29, page 12, in Lake County, Indiana.

THIS MORTGAGE is given to secure the liability of every kind, character, and description of WILLIAM LOONEY AND BARBARA J. LOONEY, husband and wife, to the mortgagee as evidenced by one or more notes from time to time in amounts not to exceed \$25,000.00 in the aggregate, and maturing as herein described.

MORTGAGORS HEREBY AGREE: To neither commit not suffer waste to be committed of said property, to keep the improvements now existing or hereafter erected on the mortgaged property insured, as may be required from time to time by the mortgagee, against loss by fire and other hazards, casualties, and contingencies, in such amounts and for such period as may be required by the mortgagee, in insurance companies to be selected by the mortgagee and to maintain said insurance during the life of this mortgage, said insurance policies to carry standard mortgage clauses in favor of mortgagee herein and to be held and kept by said mortgagee herein as so much additional security; that they will pay all taxes and assessments that may be levied or assessed upon or against said premises as the same shall become due and payable. Upon failure or refusal of the mortgagors herein to provide and furnish said insurance to mortgagee herein, or to pay said taxes or assessments, mortgagors hereby expressly authorize said mortgagee to procure said insurance and/or to pay such taxes and assessments, and agree that the sum of money advanced for such purpose shall become a part of the debt hereby secured and shall draw like interest that the mortgagee may pay any senior liens or encumbrances upon or against said real estate and that the money advanced for such purpose shall become a part of the debt hereby secured and shall draw a like interest, that upon the payment of such senior lien(s) or encumbrance(s) by said mortgagee, or in case mortgagee shall be compelled to pay any taxes or f assessments, or to furnish insurance, then and in either or all such cases, mortgagee shall have the right, at its option, other clauses herein notwiths anding, to declare the entire debt secured hereby due and payable forthwith, without to or demand, and to proceed with the collection thereof by foreclosure of this mortgage or otherwise.

MORTGAGORS FURTHER AGREE that upon default of any of the covenants or conditions herein contained, or if any part of the debt secured hereby, either principal or interest, shall remain unpaid for thirty days after maturity, said mortgagee may, at its option, declare the entire debt secured hereby to be due and payable forthwith, without notice or demand and proceed with the collection thereof either by foreclosure of this mortgage or otherwise, provided, however, that the omission of said mortgagee to so exercise said option shall not be construed as a waiver thereof and shall not preclude said mortgagee from exercising same for any subsequent default, and nothing but a written contract of the mortgagee shall be a waiver of said option. Any notice which might be required by and under the terms hereof is expressly waived by and on the part of the mortgagors herein.

IT IS FURTHER AGREED generally that the mortgagee may at its election, advance and pay any sum of money that in its judgment may be necessary, to perfect the title of said mortgaged premises in said mortgagors or to preserve the security intended to be given by this mortgage, and any and all sums of money so advanced and paid shall be and they are hereby made a part of the mortgage debt and shall draw a like interest and may at any time or times in succession, without notice, extend the time of payment of the indebtedness hereby secured to any person or persons then under obligation to pay such indebtedness, or affected by the lien hereby created, upon such terms as may be agreed upon by the mortgagee and the party requesting the extension. The mortgagors expressly agree to pay the sums of money above secured and mortgagee's collection charge and attorney fees without relief from valuation and appraisement laws.

IT IS UNDERSTOOD AND AGREED that the mortgagors shall not have the right to sell mortgaged property subject to a purchaser assuming and agreeing to pay said note or notes secured hereby, without prior approval by the mortgagee.

MORTGAGORS FURTHER AGREE in the event of foreclosure and sale of the premises mortgaged, that they will pay to the mortgagee a sum of money equal to the reasonable rental value of said premises during its occupancy of the same after the issuance of the certificate of sale unless redemption shall be made as provided by law.

IT IS FURTHER AGREED that in case mortgagee herein shall be made a party to any suit filed in any court by reason of its being mortgagee herein, or is at any time called upon to defend said mortgage and its interest in and to said property under the terms of the mortgage, the mortgagors will pay unto the mortgagee all expenses incurred by said mortgagee, including a reasonable attorney fee, in so defending its interest in said property by reason of said mortgage, in protecting the lien thereof, or in protecting itself in said suit.

IT IS UNDERSTOOD AND AGREED that this mortgage is junior to a mortgage given by WILLIAM LOONEY AND BARBARA J. LOONEY, husband and wife, doing business as UNIQUE CLEANERS to Administrator of the Small Business Administration, dated October 23, 1974 and recorded October 25, 1974 as Document No. 274111 to secure one note for \$25,000.00.

THE COVENANTS herein contained shall bind and the benefits and advantages shall inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders. The interest of the parties herein is subject to all covenants, easements and restrictions of record.

IN WITNESS WHEREOF, the said mortgagors have hereunto set their hands and seals
this 2 day of December, 1981.
William Looney Recember 1961. Barbara J. Iooney
STATE OF INDIANA)
COUNTY OF LAKE)
Before me, the undersigned, a Notary Public, in and for said county and state, this day of declary, 1981, personally appeared WILLIAM LOONEY AND BARBARA J. LOONEY, husband and wife, and acknowledged the execution of the annexed mortgage. Witness my hand and notarial seal.
Queen E. Truesdale Notary Public My Commission Expires: 17, 1784
Resident of County, Indiana.

This instrument is prepared by J. L. Emerson as Assistant Vice President of Gary National Bank.