

RET. TO: FIRST NATIONAL BANK
OF EAST CHICAGO, INDIANA
MAIN OFFICE
720 WEST CHICAGO AVENUE
EAST CHICAGO, INDIANA 46312

661260

PIONEER NATL. TITLE INS. CO.

FIRST SUPPLEMENTAL MORTGAGE

THIS FIRST SUPPLEMENTAL MORTGAGE, between JAMES MERLO AND BARBARA MERLO, residents of Calumet City, Illinois (jointly and severally the "Mortgagor"), and FIRST NATIONAL BANK OF EAST CHICAGO, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, with its principal office, domicile and post office address located in East Chicago, Indiana (the "Trustee"), as Trustee under the Indenture of Trust dated as of December 1, 1980 (the "Original Indenture") between the Trustee and the Town of Munster, Lake County, Indiana (the "Town");

W I T N E S S E T H:

WHEREAS, the Mortgagor has heretofore executed and delivered that certain Mortgage, dated as of February 1, 1981, recorded on Feb 4, 1981, in Mortgage Record 616766, page , in the records of Lake County, Indiana (the "Original Mortgage") whereby the Mortgagor did mortgage, convey, warrant and create a security interest unto the Trustee certain real estate described therein and described in Schedule 1 hereto and improvements thereon located in the Town of Munster, Lake County, Indiana, to secure payment of the indebtedness of the Mortgagor to the Town in the original principal amount of \$680,000 payable in installments ending the business day before February 1, 2006, as evidenced by the Series A Note (the "Series A Note") of the Mortgagor payable to the order of the Town and assigned and pledged to the Trustee as provided by that certain Loan Agreement, dated as of December 1, 1980, between the Town and the Mortgagor (the "Original Loan Agreement"); and

WHEREAS, there is a \$674,678.75 principal balance presently outstanding and unpaid on the Series A Note; and

WHEREAS, the Town and the Mortgagor have entered into that certain First Supplemental Loan Agreement, dated as of February 1, 1982 (the "First Supplemental Loan Agreement"), supplementing and amending the Original Loan Agreement, which Original Loan Agreement, as supplemented, is hereinafter called the "Loan Agreement"; and

WHEREAS, the Town has issued, sold and delivered its Economic Development Revenue Bond, Series B (James and Barbara

Not recorded
661261

STATE OF INDIANA S.S. NO
LAKE COUNTY
FILED FOR RECORD
JAMES B. PLOSKA JR
12 AM '82

1/20/82

Merlo Project) in the principal amount of \$225,000 under and pursuant to the Original Indenture as supplemented and amended by the First Supplemental Indenture of Trust, dated as of February 1, 1982 (the "First Supplemental Indenture"); and

WHEREAS, the Mortgagor is justly indebted to the Town, in the additional principal sum of \$225,000 evidenced by a certain Series B Note of the Mortgagor payable to the order of the Town of even date herewith and delivered, and which Series B Note has been assigned and pledged to the Trustee as provided by the Loan Agreement, in and by which said Series B Note the Mortgagor promises to pay to the Trustee for the account of the Town the principal sum of \$225,000 together with interest on the unpaid principal amount thereof from the date of said Series B Note at the rate of 13-1/2% per annum, computed as if each calendar year consisted of 360 days and each full calendar month consisted of 30 days, payable in 120 consecutive monthly installments including both principal and interest, consisting of (1) 119 equal monthly installments of \$2,622.71 payable commencing one business day prior to March 1, 1982, and payable one business day prior to the first day of each month thereafter to and including the business day prior to January 1, 1992, and (2) a final installment of \$204,627.96 payable one business day prior to February 1, 1992, with such final installment being an amount equal to the entire principal and interest remaining unpaid on said date; and

WHEREAS, the Series B Note is not prepayable except in the event that the Mortgagor shall exercise its option to prepay the Series B Note as provided and upon the terms and provisions in Article V of the First Supplemental Loan Agreement; and

WHEREAS, in connection with the issuance of the Series B Note, the Mortgagor has agreed that payment of the Series B Note is to be secured by the Original Mortgage and to constitute a part of the indebtedness thereby secured to the same extent as the Series A Note therein described;

NOW THEREFORE, to secure (1) the payment by the Mortgagor of the Series A Note, the Series B Note and said interest thereon, in accordance with the terms, provisions and limitations of the Loan Agreement, the Series A Note and the Series B Note, (2) the performance by the Mortgagor of the covenants and agreements contained in the Loan Agreement, the Series A Note and the Series B Note by the Mortgagor to be performed, and (3) the payment by the Mortgagor of any Additional

Notes pursuant to the Loan Agreement, with interest thereon, the Mortgagor does by these presents MORTGAGE, CONVEY, WARRANT and create a SECURITY INTEREST unto the Trustee and its successors in trust (as defined in the Original Indenture) and assigns the Mortgagor's leasehold interest in the Real Estate described in Schedule 1 hereto and the machinery, equipment and other personal properties described in Schedule 2 hereto, and all of the Mortgagor's estate, right, title and interest therein, which, with the property hereinafter described, is referred to herein as the "premises";

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as the Mortgagor may be entitled thereto (which are pledged primarily on a parity with said real estate and not secondarily), and all apparatus, equipment or articles now or thereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power and ventilation, including (without restricting the foregoing) screens, window shades, storm doors and windows, floor coverings, awnings and water heaters; all of which foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by the Mortgagor or its successors or assigns shall be considered as constituting part of the real estate;

TO HAVE AND TO HOLD the premises unto the said Trustee and its successors in trust forever, for the purposes and upon the uses and the trusts herein set forth.

All covenants, warranties and agreements between the Mortgagor and the Trustee in paragraphs numbered (1) to and including (17) of the Original Mortgage shall apply hereto with the same force and effect as if said covenants, warranties and agreements in the Original Mortgage had been set forth herein in full except that wherever the term "Series A Note" is used, such term shall be understood to include both the Series A Note and the Series B Note.

All of the properties, rights and privileges described in the Original Mortgage shall remain in all respects subject to the lien, charge and encumbrance of the Original Mortgage, and nothing herein contained and nothing done pursuant hereto shall affect or be construed to affect the lien, charge and encumbrance of or conveyance effected by the Original Mortgage or the priority thereof over other liens, charges, encumbrances or conveyances.

Except as specifically amended or supplemented herein, the Original Mortgage shall remain in full force and effect and no reference to this First Supplemental Mortgage need be made in any note, certificate or instrument issued or outstanding pursuant to the Original Mortgage or in any way relating to the Original Mortgage, any reference to the Original Mortgage being sufficient to refer to the Original Mortgage as hereby supplemented.

IN WITNESS WHEREOF, James and Barbara Merlo have hereunto subscribed their names and First National Bank of East Chicago, as Trustee, has accepted this First Supplemental Mortgage by causing its corporate name to be hereunto subscribed and attested under its official seal by its duly authorized officers identified below, all being done as of February 1, 1982, but actually on the dates shown by the acknowledgments.

James Merlo

James Merlo

Barbara Merlo

Barbara Merlo

FIRST NATIONAL BANK OF EAST CHICAGO,
as Trustee

By Thomas S. Bradley
Its Vice Pres. & Dep. Officer

(SEAL)

Attest:

Thomas S. Bradley
Its President

This instrument was prepared by:

Raymond Alexander Sales, Esq.
Chapman and Cutler
111 West Monroe Street
Chicago, Illinois 60603

SCHEDULE 1
to
FIRST SUPPLEMENTAL MORTGAGE
dated as of February 1, 1982

Description of mortgaged real estate:

The West 222.5 feet by parallel lines of Lot 1, Fairmeadow's 34th Addition to the Town of Munster, as recorded in Plat Book 052, page 62, (Document No. 609228), in the Office of the Recorder of Lake County, Indiana, being 1.25 acres.

SCHEDULE 2
to
FIRST SUPPLEMENTAL MORTGAGE
dated as of February 1, 1982

Description of mortgaged machinery, equipment and fixtures:

EQUIPMENT

6	Star Titan II Straight Nose Cones	\$ 894.00
6	Star Titan II Angle Adapter with Latch Heads	894.00
6	Star Titan II Angle Adapter with prphy Heads	828.00
1	EEE Office Communication System with 15 stations, 16 speakers, one (1) central unit	8,808.00
	Adenca Cabinets with sinks and faucets in 8 operatories	<u>28,995.00</u>
	TOTAL:	\$40,419.00

STATE OF INDIANA)
) SS
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public regularly elected, commissioned, qualified and acting in and for the State and County aforesaid, personally appeared James Merlo and Barbara Merlo, with both of whom I am personally acquainted, and who, upon their oaths, acknowledged that they executed the foregoing First Supplemental Mortgage for the purposes contained therein, by subscribing their names thereto.

WITNESS my hand and notarial seal of office at East Chicago,
Indiana, this 24th day of February, 1982.

Nancy H. Shaver
Notary Public

Nancy H. Shaver
(Printed name)

My commission expires:

June 26, 1983

Resident of Lake County

(NOTARY SEAL)



STATE OF INDIANA)
) SS
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public regularly elected, commissioned, qualified and acting in and for the State and County aforesaid, personally appeared THOMAS S. GOZDECKI, JR. and TERRY P. EICH, with both of whom I am personally acquainted, and who, upon their oaths, acknowledged themselves to officers as indicated below their signatures, acting on behalf of First National Bank of East Chicago, one of the within named bargainors, and that they as such officers, being authorized so to do, executed the foregoing First Supplemental Mortgage for the purposes contained therein, by subscribing thereto the name of said Bank and by affixing thereto and attesting the official seal of said Bank by themselves as such officers.

WITNESS my hand and notarial seal of office at EAST CHICAGO Indiana, this 24~~th~~ day of February, 1982.

Linda G. Hatcher
Notary Public

(Printed name)
LINDA G. HATCHER
Notary Public, Lake Co., IN
My Comm. Expires Sept. 27, 1985

My commission expires:

(NOTARY SEAL)

Resident of _____ County