

ADDITIONAL TERMS AND CONDITIONS

4. For the duration of any indebtedness hereby secured: (a) the Mortgagor will keep the aforesaid property in its present state of repair, normal wear and tear excepted; (b) Mortgagor will pay all taxes and assessments imposed on the said property and will otherwise take such action and exercise such forbearance as may be necessary in order that the said property shall not hereafter become subject to any lien or encumbrance superior to this Mortgage; (c) Mortgagor will procure and maintain insurance with insurance companies acceptable to Mortgagee, against damage to or destruction of the improvements included in said real estate by fire or windstorm or any cause customarily included in the term "extended coverage", such insurance to be in a sum not at any time less than the value of such improvements or the total of the indebtedness then hereby secured plus all taxes, assessments and indebtedness then secured by any liens or encumbrances superior hereto on such real estate, whichever is smaller, and to be payable to the Mortgagee as its interest may appear; (d) Mortgagor will deliver the policy or a certificate evidencing said insurance to the Mortgagee and will allow Mortgagee possession of the same; (e) In the event of loss, Mortgagor shall give immediate written notice to the insurance carrier and to Mortgagee. Mortgagor authorizes and empowers Mortgagee as attorney-in-fact for Mortgagor to adjust and compromise any claim under any such insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, to endorse and deposit any insurance checks or drafts payable to Mortgagor, and to deduct therefrom Mortgagee's expenses incurred in the collection of such proceeds; provided however, that nothing contained in this paragraph 4 shall require Mortgagee to incur any expense or take any action hereunder, nor prevent the Mortgagee from asserting any independent claim or action versus any such insurance carrier in its own name.

5. If the Mortgagor shall fail to make any payment or to obtain any insurance, service or materials necessary for the performance of any of Mortgagor's covenants above set forth, then the Mortgagee at its option may do so, and its expenditures for any such purpose shall be added to and become part of the indebtedness hereby secured. Any amount so added shall, from the date of payment thereof by the Mortgagee, bear interest at the rate of interest set forth in the indebtedness.

6. Unless required by applicable law or unless Mortgagee has otherwise agreed in writing, Mortgagor shall not allow changes in the use for which all or any part of the Property was intended at the time this Instrument was executed. Mortgagor shall not initiate or acquiesce to a change in the zoning classification of the Property without Mortgagee's prior written consent.

7. Mortgagee may make or cause to be made reasonable entries upon and inspections of the Property at all reasonable times and access thereto shall be permitted for that purpose by the Mortgagor.

8. Mortgagor shall not sell or transfer all or any part of said Property, grant an option to purchase the same, lease the Property, sell the same by contract, transfer occupancy or possession of the Property, nor sell or assign any beneficial interest or power of direction in any land trust which holds title to the Property without the prior written consent of the Mortgagee.

9. The Mortgagee at its option may extend the time for the payment of any indebtedness hereby secured, or reduce the payments thereon, or accept a note or renewal note therefor, or release any part of the security, or any person liable for the indebtedness, without consent of any junior lienholder, and without the consent of the Mortgagor. No such extension, reduction, renewal or release shall effect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of the Mortgagor to the Mortgagee. No delay by the Mortgagee in the exercise of any of its rights hereunder shall preclude the exercise thereof so long as the mortgage is in default hereunder and no failure of the Mortgagee to exercise any of his rights because of one default shall preclude the exercise thereof for a subsequent default. The Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.

10. This Mortgage shall be governed and enforced by the laws of the State of Indiana except where the Mortgagee by reason of a law of the United States or a regulation or ruling promulgated by an agency supervising the Mortgagee is permitted to have or enforce certain provisions in this Mortgage then in that event the Mortgagee may elect to have those provisions of this Mortgage enforced in accordance with the laws of the United States. In the event that any provision of this Mortgage conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage which can be given effect without the conflicting provisions, and to this end the provisions of this Mortgage are declared to be severable. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected from Mortgagor is interpreted so that any charge provided for in this Mortgage, whether considered separately or together with other charges levied in connection with this Mortgage, violates such law, and Mortgagor is entitled to the benefit of such law, such charge is hereby reduced to the extent necessary to eliminate such violation. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Mortgagor has been violated, all indebtedness which is secured by this Mortgage or evidenced by the Agreement and which constitutes interest, as well as all other charges levied in connection with such indebtedness which constitute interest, shall be deemed to be allocated and spread over the stated term of the Agreement.

11. If there is a default in the payments of any indebtedness hereby secured or in the performance of any of the Mortgagor's covenants set forth in this Mortgage or other instruments signed in conjunction with the indebtedness this Mortgage secured, or if Mortgagor should abandon the aforesaid property, or if said real estate of any part thereof should be attached, levied upon or seized, or if the Mortgagor should become bankrupt or insolvent or make any assignment for the benefit of creditors, or if a receiver should be appointed for the Mortgagor, then the entire indebtedness aforesaid shall, at Mortgagee's option, become immediately due and payable, without notice or demand, and the real estate shall be subject to foreclosure of this mortgage, and the Mortgagee if it elects to foreclose the same shall become entitled to the immediate possession of the aforesaid property together with the rents, issues, income and profits therefrom and all amounts due are payable without relief from valuation or appraisal laws and Mortgagor will pay all costs and attorneys' fees incurred by Mortgagee in the enforcement of the terms of this Mortgage.

12. (i) The word "Mortgagor" as used herein shall include all persons executing this mortgage and the word "Mortgagee" shall mean its respective successors and assigns. The singular shall mean the plural and the plural shall mean the singular and the use of any gender shall be applicable to all genders; (ii) Any forbearance by Mortgagee in exercising any right or remedy hereunder or otherwise afforded by applicable law or equity, shall not be a waiver of or preclude the exercise of any such right or remedy; (iii) Each remedy provided for in this Mortgage is distinct and cumulative to all other rights and remedies under this Mortgage or afforded by applicable law or equity, and may be exercised concurrently, independently or successively in any order whatsoever; (iv) That no change, amendment or modification of this Mortgage shall be valid unless in writing and signed by the Mortgagor and Mortgagee or their respective successors and assigns.

EXHIBIT "A"

That part of the East Half of the East Half of Section 26, Township 36 North, Range 8 West of the 2nd P.M., lying North of Northerly line of right of way of the New York, Chicago and St. Louis Railway Company and South of South line of Ridge Road, in the City of Hobart, Lake County, Indiana, except the following parcels therein:

Parcel 1:

A 2 acre tract in Northeast corner thereof, described as commencing at the Northeast corner of said tract and running thence West along South line of said Ridge Road, a distance of 190 feet, thence South parallel with East line of said Section 512.5 feet, thence East at right angle to East line of said Section, thence North on said East line to point of beginning, in the City of Hobart.

Parcel 2:

Part of the Southeast Quarter of the Northeast Quarter of Section 26, Township 36 North, Range 8 West of the 2nd P.M., more particularly described as follows: Commencing at a point on East line of said Section 26 and 330 feet North of Southeast corner of Northeast Quarter of said Section 26; thence West parallel to South line of Northeast Quarter of said Section 26, a distance of 994.83 feet, thence North with an interior angle of 90 degrees 51 minutes 30 seconds a distance of 667.24 feet to a point 172.05 feet South of South line of Ridge Road; thence East parallel to South line of Northeast Quarter of said Section 26, a distance of 806.50 feet; thence South parallel to East line of said Section 26, a distance of 377.47 feet; thence East a distance of 189.76 feet, to East line of said Section 26; thence South along East line of said Section 26, a distance of 292.34 feet to point of beginning, in the City of Hobart.

Parcel 3:

Part of the Southeast Quarter of the Northeast Quarter of Section 26, Township 36 North, Range 8 West of the 2nd P.M., more particularly described as follows: A parcel of land 60 feet in width, being an extension of what is known as Barnes Street in the City of Hobart, Indiana, running South from Southerly line of Ridge Road to Northerly line of the above described Parcel 2 in the City of Hobart.

Parcel 4:

Part of Southeast Quarter of Northeast Quarter of Section 26, Township 36 North, Range 8 West of the 2nd P.M., more particularly described as follows: A parcel of land 30 feet in width, being an extension of the East Half of what is known as Sherman Street and extending South from Southerly line of Ridge Road to Northerly line of the above described Parcel 2 in the City of Hobart.

Parcel 5:

A parcel of land in the City of Hobart, and being in the Southeast Quarter of the Northeast Quarter of Section 26, Township 36 North, Range 8 West of the 2nd P.M., and more particularly described as follows: Bounded on the West by the East line of Barnes Street extended South, on the East by a line 150 feet East and parallel with the East line of Barnes Street extended South, and on the South by the Northerly line of Parcel 2 as described in Deed to School City of Hobart, dated February 28th, 1953 and recorded July 31st, 1953 in Deed Record 944, page 406, of the records of Lake County, Indiana, and on the North by the Southerly line of Ridge Road.

Parcel 6:

A parcel of land in the City of Hobart, and being in the Southeast Quarter of the Northeast Quarter of Section 26, Township 36 North, Range 8 West of the 2nd P.M., and more particularly described as follows: Bounded on the East by the West line of Barnes Street extended South, on the West by a line 150 feet West and parallel with the West line of Barnes Street extended South, on the South by the Northerly line of Parcel 2 as described in Deed to School City of Hobart dated February 28th, 1953 and recorded July 31st, 1953 in Deed Record 944, page 406, of the records of Lake County, Indiana, and on the North by the Southerly line of Ridge Road.

Parcel 7:

A parcel of land in the East half of the East half of Section 26, Township 36 North, Range 8 West of the Second Principal Meridian, described as follows: Beginning at the intersection of the East line of said Section 26 and the North right of way line of the New York, Chicago and St. Louis Railway Company; thence Northwesterly along said North right of way line 1,362.84 feet, more or less, to an iron pipe; thence North with an interior angle of 104 minutes 11 seconds 10 degrees five hundred (500) feet; thence East with an interior angle of 89 minutes 18 seconds 26 degrees 1,322.96 feet more or less, to the East section line; thence South along said East section line 818 feet to the point of beginning, all in Lake County, Indiana.