

Record and return to:

M. Wise
Gainer Bank
8585 Broadway
Merrillville, IN 46410

993249

INDEMNIFYING REAL ESTATE MORTGAGE

This Mortgage made the 12 day of August, 1988, by 'MERCANTILE NATIONAL BANK, A NATIONAL BANKING ASSOCIATION, AS TRUSTEE UNDER THE PROVISIONS OF A CERTAIN TRUST AGREEMENT DATED THE 4TH DAY OF MARCH, 1986, AND KNOWN AS TRUST NO. 4835, of Hammond, Indiana, hereinafter referred to as "Mortgagor" unto GAINER BANK, National Association, of Gary, Indiana, hereinafter referred to as "Mortgagee",

WITNESSETH:

This Mortgage is given in consideration of any loan or other financial accommodations by Gainer Bank, National Association to James A. Courtright, d/b/a The Pro's Uniform Center, and specifically to secure the payment of certain note herewith, in the principal sum of \$30,049.62 given to Gainer Bank, National Association by James A. Courtright, d/b/a The Pro's Uniform Center (herein after, "Borrower"), payable as therein provided, and to further secure the guaranty of said note by James A. and Marlene R. Courtright and Samuel J. and Lorraine K. Widdall and Leonard Courtright (herein after, "Guarantors") and for the purpose of securing the repayment of said obligations, and to indemnify the Mortgagee from any loss or damage that it may incur by the failure of said obligations to be paid as agreed, the undersigned hereby mortgage and warrant to the Mortgagee, the property situated in Lake County, State of Indiana, described as follows, to-wit:

Lot 579 in Southtown Estates 14th Addition to the Town of Highland, as per plat thereof, recorded Plat Book 34, page 33, in the Office of the Recorder of Lake County, Indiana,

together with all buildings, improvements, structures, appurtenances, fittings, and fixtures attached, erected or used in connection with the Property or hereafter acquired attached, erected, appurtenant or used in connection with the Property, including but not limited to storm and screen windows and doors, cabinets, bathroom fixtures, drapes, shades, floor coverings, stoves, refrigerators and other appliances, gas, steam, electric and other air-conditioning, heating, and lighting apparatus, all of which are to be deemed to be a part of the Property, whether; physically attached or not, together with all rents, issues, income, profits, rights, privileges, interests, easements and hereditaments thereof (herein after, "Property").

And that said Mortgagor does covenant with the said Mortgagee as follows: First, that he is lawfully seized of the said Property in fee simple; Second, that he has a good right to convey the same; Third, that the same are free from all liens and encumbrances except as set out in Clause 5 below; Fourth, that the said Mortgagee shall quietly enjoy and possess the same; and that the said Mortgagor will warrant and defend the title to the same against all lawful claims.

The Mortgagor for himself, his heirs, executors, administrators, successors, and assigns, covenants and agrees with said Mortgagee, its successors and assigns as follows:

1. If there is a default in the payment of any indebtedness hereby secured or in the performance of any of the Mortgagor's, Borrower's, or Guarantor's, covenants set forth in the Mortgage or other instruments signed in conjunction with the indebtedness this mortgage secures, or if Mortgagor should abandon the aforesaid Property, or if said Property or any part thereof should be attached, levied upon or seized, or if the Mortgagor, Borrower, or Guarantor, should become bankrupt or insolvent or make an assignment for the benefit of creditors or if a receiver should be

LILLIAN A. BLASTICK
RECORDER, LAKE COUNTY
CROWN POINT, INDIANA 46307
STATE OF INDIANA/S.S. NO.
LAKE COUNTY
FILED FOR RECORD

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appointed for the Mortgagor, Borrower, or Guarantor, then the entire indebtedness shall, at Mortgagee's option, become immediately due and payable, without notice or demand, and the Property 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 all 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 the above mentioned Mortgage.

2. 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 Property by fire and windstorm or by any cause customarily included in the terms "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 Property 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, and the Mortgagee may collect the proceeds of any insurance. Mortgagor appoints Mortgagee as his attorney-in-fact to endorse any insurance checks and drafts payable to him; (e) This mortgage and the indebtedness incurred hereby may not be assumed, nor can there be transfer or sale of any beneficial interest in Mortgagor, if Mortgagor is not a natural person but is a corporation, partnership, Trust, or other legal entity, without prior written consent of the Mortgagee; (f) Mortgagor will pay and keep current any mortgage on said Property that is superior to this Mortgage and immediately advise Mortgagee in writing of his failure to do so; (g) Mortgagor will not further mortgage or encumber said Property in any way without the express written consent of the Mortgagee. This prohibition shall include the Mortgagor borrowing any future monies from any senior mortgage holder under and "other indebtedness" or "future advance" clause without the prior written consent of the Mortgagee; (h) Mortgagor shall not allow any judgment liens; mechanic's liens or other liens of any nature or kind to be placed against said Property, and if such lien or liens should be affixed or placed on said Property, Mortgagor shall immediately advise Mortgagee of this fact in writing and cause said lien to be satisfied and released within five (5) days from the entry thereof.

3. If the Mortgagor shall fail to make any payment or to obtain any insurance, service or materials or pay or remove any liens on said Property 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.

4. The Mortgagee at its option may extend the time or 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 affect 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 its 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.

5. That the Property mortgaged hereby is free, clear and unencumbered except as to (a) real estate taxes not yet due; (b) usual easements, covenants and restrictions of record; (c) real estate mortgage dated February 21, 1986 and recorded March 12, 1986 as Document #844709 to Citizens Federal Savings and Loan Association in the original amount of Seventy-Six Thousand and NO/100 Dollars---- (\$76,000.00) which Mortgage is not in default and has an unpaid balance of \$ _____; (d) Other: None.

6. In the event this Mortgage is subject to a Mortgage set out in the paragraph above, or any other mortgage or encumbrance and that prior mortgage or encumbrance is in default or is foreclosed upon, or in the event Mortgagor without Mortgagee's prior written consent, sells or transfers any interest in this Property, then at the option of the Mortgagee, this Mortgage and the note or notes or indebtedness it secures shall become immediately due and payable in full, and further, that the Mortgagee may immediately foreclose this Mortgage, all without any notice or demand whatsoever.

7. That the Mortgagor will indemnify and save harmless from, and repay on demand the Mortgagee for, any loss, damage, expense, or attorney's fees which may be incurred by the said Mortgagee by reason of any suit or proceeding to which the same Mortgagee is made a party on account of this Mortgage, and any loss, damage, expense, or attorney's fees so incurred by the Mortgagee is made a part of the debt secured by this Mortgage.

8. That the Mortgagee shall, at its option be entitled to be subrogated to any demand, lien, claim or right paid or satisfied by or with the monies advanced and hereby secured, and that the Mortgagee herein may, at any time or times in succession, without notice, extend the time of payment of the sum hereby secured, or any part thereof, to any person or persons then under obligation to pay the same or affected by the lien hereby created, upon such terms as may be agreed upon by the Mortgagee and the party requesting the extension, without impairing in any way the lien or priority of this Mortgage.

9. That all agreements and representations of the Mortgagor herein contained are made also for the benefit of any assignee of the Mortgagee.

10. That all rights and remedies secured, to the Mortgagee by the covenants and agreements contained in this Mortgage are to be deemed cumulative and not in any way in derogation of the rights of the Mortgagee under laws of the State of Indiana.

11. The covenants, agreements, and conditions hereof shall be binding upon the Mortgagor and the heirs, personal representatives, successors, and assigns of the Mortgagor, and shall inure to the benefit of the Mortgagee and its successors and assigns. Whenever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

Trust No. 4835
Gainer Bank, Indemnifying
R/E Mortgage - \$30,049.62

THIS MORTGAGE is executed by the MERCANTILE NATIONAL BANK OF INDIANA, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said MERCANTILE NATIONAL BANK OF INDIANA, hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said note contained shall be construed as creating any liability on the said First Party or on said MERCANTILE NATIONAL BANK OF INDIANA personally to pay the said note or any interest that may accrue thereon, or any indebtedness accruing hereunder, or to perform any covenant either express or implied herein contained, all such liability, if any, being expressly waived by Mortgagee and by every person now or hereafter claiming any right or security hereunder, and that so far as the First Party and its successors and said MERCANTILE NATIONAL BANK OF INDIANA personally are concerned, the legal holder or holders of said note and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby conveyed for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said note provided or by action to enforce the personal liability of the guarantor, if any.

IN WITNESS WHEREOF, MERCANTILE NATIONAL BANK OF INDIANA, not personally but as Trustee as aforesaid, has caused these presents to be signed by its Trust Officer and its corporate seal to be hereunto affixed and attested by its Trust Investment Officer this 12th day of August, 1988.

MERCANTILE NATIONAL BANK OF INDIANA,
not personally but as Trustee under the
provisions of a Trust Agreement dated
February 21, 1986 and known as
Trust No. 4835

By: Louise M. Johnson
Louise M. Johnson, Trust Officer

ATTEST:

Edward A. Studzinski
Edward A. Studzinski, Trust
Investment Officer
STATE OF INDIANA)

) SS:

COUNTY OF LAKE)

I, Lorraine S. Kovach, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY, that Louise M. Johnson of the MERCANTILE NATIONAL BANK OF INDIANA, a national banking association, and Edward A. Studzinski of said national banking association, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Trust Officer and Tr. Investment Officer respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of said national banking association, as Trustee, for the uses and purposes therein set forth; and the said Trust Investment Officer did also then and there acknowledge that he, as custodian of the corporate seal of said national banking association, did affix the said corporate seal of said national banking association to said instrument as his own free and voluntary act, and as the free and voluntary act of said national banking association, as Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 12th day of August, 1988

Lorraine S. Kovach
Lorraine S. Kovach Notary Public

My Commission Expires:

5/21/91

County of Residence: Lake