



REAL ESTATE MORTGAGE AND SECURITY AGREEMENT (FIXTURE FILING)

Joseph A. Simko and Elaine Simko, H&W, as to Parcels 1 and 2 of the Land; and Joseph A. Simko and Elaine M. Simko, H&W, as to the balance of the land (mailing address: 4545 Ash Street, Hammond), ("Mortgagors") of Lake County, State of Indiana, MORTGAGE AND WARRANT to BANK ONE, MERRILLVILLE, National Association ("Bank"), the following described real estate ("Mortgaged Premises") in Lake County, Indiana:

SEE ATTACHED EXHIBIT "A" FOR COMPLETE LEGAL DESCRIPTION.

SEE EXHIBIT "A" attached hereto and incorporated herein by this reference.

TOGETHER WITH all improvements now or hereafter situated on or used in connection with the Mortgaged Premises and all rights, privileges, interest, easements, hereditaments and appurtenances thereunto belonging or in any wise pertaining thereto, and all fixtures, personal property, and building materials now or subsequently attached to or in any way used in connection with the Mortgaged Premises, and the rents, issues, income, uses and profits of the Mortgaged Premises.

This Mortgage is given to secure the performance of all provisions hereof and to further secure the repayment of a certain Master Note, in the principal sum of \$ 307,767.00, dated January 8, 1992 and executed by Simko & Sons Industrial Refractories, including all extensions, modifications or renewals thereof.

Multiple advances will be made hereunder, and this Mortgage shall secure all such future advances; the total of which shall not exceed the sum of \$ 307,767.00.

The Mortgagors jointly and severally covenant and agree with the Bank that:

- 1. Mortgagors will pay when due all indebtedness secured hereby, on the dates and in the amounts, respectively, as provided in the Note(s) and in this Mortgage, with attorneys' fees, and without relief from valuation or appraisal laws.
2. Mortgagors will not permit any lien of mechanics or materialmen to attach to the Mortgaged Premises.
3. Mortgagors will keep the Mortgaged Premises in good repair, and will not commit or permit waste thereon, and will pay when due all taxes and assessments levied or assessed against the Mortgaged Premises or any part thereof.
4. Mortgagors are constructing improvements upon the Mortgaged Premises under plans and specifications adopted by them. Mortgagors agree to apply all Advances to them under this Mortgage upon the cost of such construction and agree not to abandon such construction, but to complete the same within a reasonable time, and in any event by July 8, 1992; and agree that their default under any agreement contained in this Mortgage shall terminate the obligation of Bank thereafter to make further Advances.

IN WITNESS WHEREOF, the Mortgagors have caused this Mortgage to be executed this 8th day of January, 1992.

Signatures of Joseph A. Simko and Elaine M. Simko.

STATE OF INDIANA )
COUNTY OF Lake ) ss:



Before me, a Notary Public in and for said County and State, this 8th day of January, 1992, personally appeared Joseph A. Simko and Elaine Simko a/k/a Elaine M. Simko and acknowledged the execution of the foregoing Mortgage.

I hereby certify that I am not an officer or director of Bank.

Witness my hand and Notarial Seal.

Signature: Arlyne K. Royal
Printed Name: ARLYNE K. ROYAL
Notary Public

My Commission Expires: APRIL 18, 1995

My County of Residence: LAKE

This instrument was prepared by: A. James Babusiak, an Officer of Bank One, Merrillville, NA.

Return to: Bank One Merrillville, NA
Loan Processing / Diana M. Foster
1000 E. 80th Place
Merrillville, IN 46410

BORROWER AGREES THAT THE ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF SHALL CONSTITUTE A PART OF THIS MORTGAGE AND ARE INCORPORATED HEREIN.

CONSTRUCTION MORTGAGE ORIGINAL (WHITE) BORROWER'S COPY (CANARY) FILE COPY (PINK)

1100 CT

For 92004253 see doc. #

5. Mortgagors will procure and maintain in effect at all times adequate insurance in reliable insurance companies acceptable to the Bank against loss or destruction of the Mortgaged Premises on account of fire, windstorm and such other hazards and in such amounts as the Bank may require from time to time, and all such policies of insurance shall contain proper clauses making all sums recoverable upon such policies payable to the Bank and to the Mortgagors as their respective interests may appear; all such policies of insurance and all abstracts of title or title insurance policies with respect to the Mortgaged Premises shall be delivered to and retained by the Bank until the indebtedness secured hereby is fully paid.

After said last-mentioned date, completion of any then unfinished portion(s) of said construction shall be deemed "necessary to protect and preserve the security intended to be given by this Mortgage", within the meaning of paragraph "5" above; and Bank is hereby granted such rights of entry, and other rights, as may be then necessary to complete such construction.

6. Bank may, at its option, advance and pay all sums necessary to protect and preserve the security intended to be given by this Mortgage; and all sums so advanced and paid by Bank shall become a part of the indebtedness secured hereby and shall bear interest from date of payment at the same rate or rates as the principal indebtedness evidenced by the Note(s); and such sums may include, but not by way of limitation, (i) insurance premiums, taxes and assessments, and liens which may be or become prior and senior to this Mortgage as a lien on the Mortgage Premises, or any part thereof; (ii) the cost of any abstracts of title, surveys, or other evidence which in the discretion of Bank may be required to establish and preserve the lien of this Mortgage; (iii) all costs, expenses and attorneys' fees incurred by Bank in respect of any and all legal or equitable actions which relate to this Mortgage or to the Mortgaged Premises, during the existence of the indebtedness secured by this Mortgage; and (iv) the cost of any repairs deemed necessary and advisable by Bank to be made to the Mortgaged Premises.

7. Bank shall be subrogated to the rights of the holder of each lien or claim paid with moneys secured hereby. If any default shall occur in the payment of any installment of indebtedness secured hereby, or in the performance of any covenant or agreement of Mortgagors hereunder, or if Mortgagors shall abandon the Mortgaged Premises, or shall be adjudged bankrupt, or if a trustee or receiver shall be appointed for Mortgagors or for a major part of the Mortgaged Premises, then and in any such event all indebtedness secured hereby shall, at the option of Bank, become immediately due and payable without notice to Mortgagors, and this Mortgage may be foreclosed accordingly. The waiver by Bank of any default of Mortgagors shall not operate as a waiver of other defaults. Notice by Bank of its intention to exercise any right or option hereunder is hereby expressly waived by Mortgagors, and any one or more of Bank's rights or remedies hereunder may be enforced successively or concurrently. Any delay in enforcing any such right or remedy shall not prevent its later enforcement while Mortgagors shall be in default hereunder. In the event of the foreclosure of this Mortgage, all abstracts of title and all title insurance policies for the Mortgaged Premises shall become the absolute property of Bank.

8. All rights and obligations of Mortgagors hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of Mortgagors, and shall inure to the benefit of Bank, its successors and assigns. In the event this Mortgage is executed by only one person or corporation, the word "Mortgagors" as used herein shall be construed to mean "Mortgagor"; and the terms and provisions of this Mortgage construed accordingly.

9. The Bank, at its option, may extend the time for the payment of the Note(s), or reduce the payments thereon, or accept a renewal Note(s) therefor, without the consent of any junior lienholder, and without the consent of the Mortgagors if the Mortgagors have then parted with title to the Mortgaged Premises, and any such extension, reduction or renewal shall not 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 Mortgagors to the Bank.

10. This Mortgage shall be deemed a Security Agreement as defined in the Indiana Uniform Commercial Code for the fixtures, personal property, and building materials described in the "TOGETHER WITH" clause on page 1 of this Mortgage. Mortgagor further agrees that Bank may file any financing or continuation statements necessary to perfect or maintain its security interest in such personal property or fixtures signed solely by the Bank as the secured party.

11. This Mortgage secures an obligation incurred for the construction of an improvement on land, including the acquisition cost of the land if applicable.

PARCEL 1:

THE SOUTH HALF OF LOT 18, LOTS 19-23, BOTH INCLUSIVE, AND LOTS 26-31, BOTH INCLUSIVE, BLOCK 12, TOWLE AND AVERY'S ADDITION IN THE CITY OF HAMMOND, AS SHOWN IN PLAT BOOK 1, PAGE 104, IN LAKE COUNTY, INDIANA.

PARCEL 2:

THE SOUTH HALF OF LOT 18, LOTS 19-23, BOTH INCLUSIVE, LOTS 26-29, BOTH INCLUSIVE, AND THE SOUTH HALF OF LOT 30, BLOCK 13, TOWLE AND AVERY'S ADDITION IN THE CITY OF HAMMOND, AS SHOWN IN PLAT BOOK 1, PAGE 104, IN LAKE COUNTY, INDIANA.

PARCEL 3:

LOT 23 AND THE SOUTH 1/3 OF LOT 22, LOTS 26, 27, 28 AND 29, BLOCK 14, EXCEPT THE FOLLOWING: BEGINNING ON THE NORTH LINE OF SAID LOT 29 AT A POINT WHICH IS 92.36 FEET; EASTERLY, MEASURED ON SAID NORTH LINE, FROM THE NORTHWEST CORNER OF SAID LOT 29; THENCE EASTERLY ON THE NORTH LINE OF SAID LOT 29 TO THE NORTHEAST CORNER OF SAID LOT; THENCE CONTINUING EASTERLY ON THE NORTH LINE (PROLONGED) OF SAID LOT 7.50 FEET TO THE CENTER LINE OF VACATED ALLEY, THENCE SOUTHERLY ON THE CENTER LINE OF VACATED ALLEY NO. 4, 10.00 FEET; THENCE WESTERLY PARALLEL WITH THE NORTH LINE (PROLONGED) OF SAID LOT 7.50 FEET TO THE EAST LINE OF SAID LOT; THENCE NORTHWESTERLY TO THE PLACE OF BEGINNING, TOWLE AND AVERY'S ADDITION, AS SHOWN IN PLAT BOOK 1, PAGE 104, IN LAKE COUNTY, INDIANA.

PARCEL 4:

PART OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 37 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, COMMONLY KNOWN AS VACATED OAK AVENUE; MORE PARTICULARLY DESCRIBED AS BEGINNING AT A POINT WHICH IS THE SOUTHWEST CORNER OF LOT 23, BLOCK 12, TOWLE AND AVERY'S ADDITION TO THE CITY OF HAMMOND, INDIANA. THENCE, EAST 66 FEET TO THE SOUTHWEST CORNER OF LOT 26, BLOCK 13, OF SAID SUBDIVISION; THENCE, NORTH 112.5 FEET TO A POINT ON THE WEST LINE OF LOT 30, BLOCK 13, OF SAID SUBDIVISION; THENCE, WEST 66 FEET TO A POINT ON THE EAST LINE OF LOT 19, BLOCK 12, OF SAID SUBDIVISION; THENCE, SOUTH 112.5 FEET ALONG THE EAST LINE OF BLOCK 12, TO THE POINT OF BEGINNING.

PARCEL 5:

PART OF THE VACATED NORTH-SOUTH ALLEY BETWEEN ASH AVENUE AND OAK AVENUE DESCRIBED AS FOLLOWS:

PART OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 37 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, MORE PARTICULARLY DESCRIBED AS BEGINNING AT A POINT WHICH IS THE SOUTHWEST CORNER OF LOT 23, BLOCK 13, TOWLE AND AVERY'S ADDITION TO THE CITY OF HAMMOND, INDIANA. THENCE, NORTH 137.5 FEET TO A POINT ON THE WEST LINE OF LOT 18, BLOCK 13 OF SAID SUBDIVISION; THENCE, WEST 7.5 FEET TO THE CENTERLINE OF SAID ALLEY; THENCE, SOUTH ALONG SAID CENTERLINE A DISTANCE OF 25 FEET TO A POINT; THENCE, WEST 7.5 FEET TO A POINT ON THE

EAST LINE OF LOT 30, BLOCK 13, OF SAID SUBDIVISION; THENCE, SOUTH 112.5 FEET TO THE SOUTHEAST CORNER OF LOT 26, BLOCK 13, OF SAID SUBDIVISION; THENCE, EAST 15 FEET TO A POINT OF BEGINNING.

PARCEL 6:

PART OF THE VACATED NORTH-SOUTH ALLEY BETWEEN OAK AVENUE AND PINE AVENUE DESCRIBED AS FOLLOWS:

PART OF THE SOUTHWEST QUARTER OF SECTION 30, TOWNSHIP 37 NORTH, RANGE 9 WEST OF THE 2ND PRINCIPAL MERIDIAN, IN LAKE COUNTY, INDIANA, MORE PARTICULARLY DESCRIBED AS BEGINNING AT A POINT WHICH IS THE SOUTHWEST CORNER OF LOT 23, BLOCK 12, TOWLE AND AVERY'S ADDITION TO THE CITY OF HAMMOND. THENCE, NORTH 137.5 FEET TO A POINT ON THE WEST LINE OF LOT 18, BLOCK 12, OF SAID SUBDIVISION; THENCE, WEST 7.5 FEET TO A POINT ON THE CENTERLINE OF SAID ALLEY. THENCE, NORTH 12.5 FEET ALONG SAID CENTERLINE TO A POINT AT WHICH IT INTERSECTS THE SOUTH LINE OF LOT 17 EXTENDED; THENCE, WEST 7.5 FEET TO THE SOUTHEAST CORNER OF LOT 32, BLOCK 12, OF SAID SUBDIVISION; THENCE, SOUTH 150.0 FEET TO THE SOUTHEAST CORNER OF LOT 26, BLOCK 12, OF SAID SUBDIVISION; THENCE, EAST 15 FEET TO THE POINT OF BEGINNING.