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HERITAGE COMMUNITY BANK
COMMERCIAL MORTGAGE
AMASA G. COLBY
CHIEF DEP. RECORDER

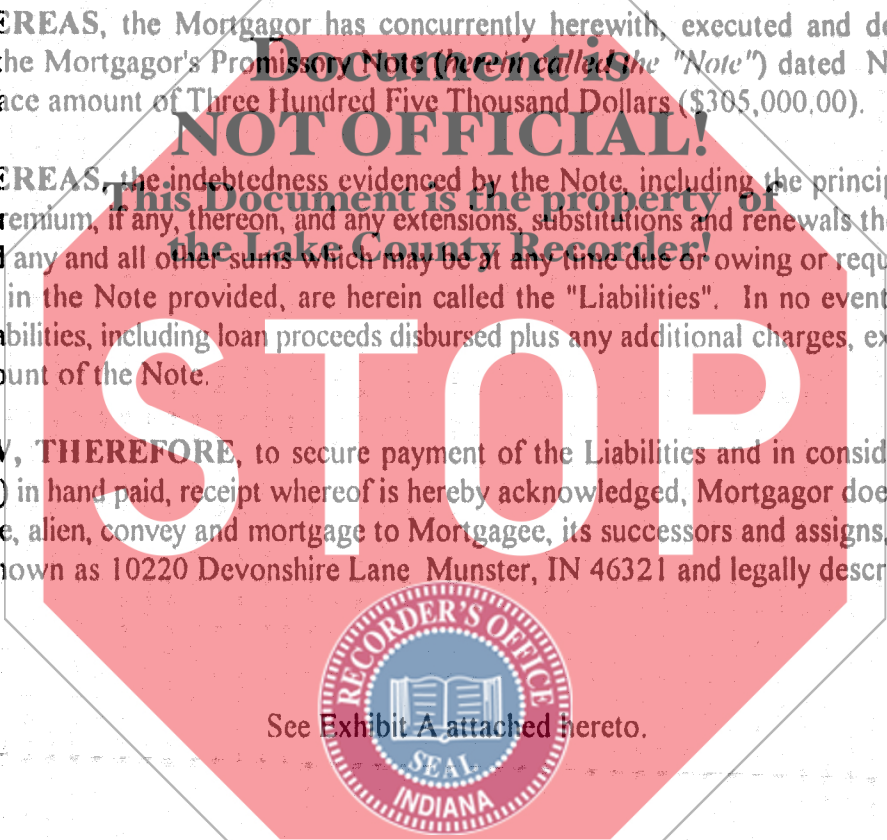
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THIS MORTGAGE made as of this 28th day of November, 1994 by LAKE COUNTY TRUST COMPANY, AS TRUSTEE, UNDER TRUST AGREEMENT DATED DECEMBER 12, 1990 AND KNOWN AS TRUST NO. 4146 ("Mortgagor"), whose address is commonly known as: 2200 N. Main Street Crown Point, IN 46307 to HERITAGE COMMUNITY BANK, a national banking association, whose address is 18301 S. Halsted Glenwood, Illinois (*herein, together with its successors and assigns, including each and every from time to time holder of the Note hereinafter referred to, called the "Mortgagee"*).

WHEREAS, the Mortgagor has concurrently herewith, executed and delivered to the Mortgagee, the Mortgagor's Promissory Note (*herein called the "Note"*) dated November 28th, 1994 in the face amount of Three Hundred Five Thousand Dollars (\$305,000.00).

WHEREAS, the indebtedness evidenced by the Note, including the principal thereof and interest and premium, if any, thereon, and any extensions, substitutions and renewals thereof, in whole or in part, and any and all other sums which may be at any time due or owing or required to be paid as herein or in the Note provided, are herein called the "Liabilities". In no event shall the total amount of Liabilities, including loan proceeds disbursed plus any additional charges, exceed twice the principal amount of the Note.

NOW, THEREFORE, to secure payment of the Liabilities and in consideration of One Dollar (\$1.00) in hand paid, receipt whereof is hereby acknowledged, Mortgagor does hereby grant, remise, release, alien, convey and mortgage to Mortgagee, its successors and assigns, the real estate commonly known as 10220 Devonshire Lane Munster, IN 46321 and legally described as follows to wit:



See Exhibit A attached hereto.

which real estate, together with the property described in the next succeeding paragraph is herein called the "Premises".

Prepared by and after recording return to:

Heritage Community Bank
183rd & Halsted Street
Glenwood, IL 60425



Property Common Address:

10220 Devonshire Lane
Munster, IN 46321

Handwritten signature/initials.

TOGETHER WITH all right, title and interest, including the right of use or occupancy, which Mortgagor may now have or hereafter acquire in and to (a) any lands occupied by streets, alleys, or public places adjoining said Premises or in such streets, alleys or public places adjoining said Premises; (b) all improvements, tenements, hereditaments, gas, oil, minerals, easements, fixtures and appurtenances, and all other rights and privileges thereunto belonging or appertaining; (c) all apparatus, machinery, equipment, and appliances (*whether single units or centrally controlled*) of Mortgagor now or hereafter used to supply heat, gas, air conditioning, water, light, power, ventilation or refrigeration or to treat or dispose of refuse or waste; (d) all screens, window shades, blinds, wainscoting, storm doors and windows, floor coverings, and awnings of Mortgagor; (e) all apparatus, machinery, equipment and appliances of Mortgagor used or useful for or in connection with the maintenance and operation of said real estate or intended for the use or convenience of tenants, other occupants, or patrons thereof; (f) all items of furniture, furnishings, equipment, and personal property used or useful in the operation of said real estate; (g) all replacements and substitutions for the foregoing whether or not any of the foregoing is or shall be on or attached to said real estate; and (h) all proceeds of the foregoing. It is mutually agreed, intended, and declared, that all of the aforesaid property owned by Mortgagor shall, so far as permitted by law, be deemed to form a part and parcel of said real estate and for the purpose of this Mortgage to be real estate and covered by this Mortgage. Items in (d), (e) and (f) of this paragraph are sometimes collectively referred to herein as "Collateral".

It is also agreed that if any of the property herein mortgaged is a fixture or of a nature so that a security interest therein can be perfected under the Uniform Commercial Code, this instrument shall constitute a fixture filing or a Security Agreement, as the case may be, and Mortgagor agrees to execute, deliver and file or refile any financing statement, continuation statement, or other instruments Mortgagee may require from time to time to perfect or renew such security interest under the Uniform Commercial Code.

As additional security for the Liabilities secured hereby, Mortgagor does hereby pledge and assign to Mortgagee from and after the date hereof (*including any period of redemption*), primarily and on a parity with said real estate, all the rents, issues and profits of the Premises and all rents, issues, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing (*including all deposits or money as advance rent, for security or as earnest money or as down payment for the purchase of all or any part of the Premises*) under any and all present and future leases, contracts or other agreements relative to the ownership or occupancy of all or any portion of the Premises and does hereby transfer and assign to Mortgagee all such leases and agreements (*including all Mortgagor's rights under any contract for the sale of any portion of the Premises*). Mortgagor agrees not to procure or accept the prepayment of any rents or other income from the Premises for more than one month, except with the prior written consent of the Mortgagee. Mortgagor further agrees to execute and deliver such assignments of leases or assignments of land purchase contracts as Mortgagee may from time to time request. In the event of a default under the Note or related instruments or this Mortgage, (1) the Mortgagor agrees, upon demand, to deliver to the Mortgagee all leases, land purchase contracts and other agreements for the ownership or occupancy of any part

of the Premises, with such additional assignments thereof as the Mortgagee may request and agrees that the Mortgagee may assume the management of the Premises and collect the rents and other income therefrom, applying the same upon the Liabilities and (2) the Mortgagor hereby authorizes and directs all tenants, purchasers or other persons occupying or otherwise acquiring any interest in any part of the Premises to pay all rents and other income due under said leases and agreements to the Mortgagee upon request of the Mortgagee. Mortgagor hereby appoints Mortgagee as its true and lawful attorney in fact to manage said property and collect the rents and other income, with full power to bring suit for collection of said rents and possession of said property, giving and granting unto said Mortgagee and unto its agent or attorney full power and authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in the protection of the security hereby conveyed; provided, however, that this power of attorney and assignment of rents shall not be construed as an obligation upon said Mortgagee to make or cause to be made any repairs that may be needful or necessary. Mortgagee shall receive such rents and other income of said Premises, out of which it shall pay: (1) reasonable charges for collection hereunder, costs of necessary repairs and other costs requisite and necessary during the continuance of this power of attorney and assignment of rents; and (2) general and special taxes, insurance premiums and all of the Liabilities. The power of attorney and assignment of rents shall be irrevocable until this Mortgage shall have been satisfied and released of record and the releasing of this Mortgage shall not act as a revocation of this power of attorney and assignment of rents. Mortgagee shall have and hereby expressly reserves the right and privilege (*but assumes no obligation*) to demand, collect, sue for, receive and recover all rents, profits, revenues, royalties, bonuses, rights and benefits under any and all oil, gas, or mineral leases of the Premises, or any part hereof, now existing or hereafter made, and apply the same upon the Liabilities hereby secured, either before or after default hereunder.

Nothing herein contained shall be construed as constituting the Mortgagee as a mortgagee-in-possession in the absence of the taking of actual possession of the Premises by the Mortgagee. In the exercise of the powers herein granted the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being expressly waived and released by Mortgagor.

TO HAVE AND TO HOLD the Premises, properties, rights and privileges hereby conveyed or assigned, unto Mortgagee, its successors and assigns, forever for the uses and purposes herein set forth. Mortgagor hereby releases and waives all right under and by virtue of the Homestead Exemption Laws of the State of Illinois, and Mortgagor hereby covenants that the time of the ensembling and delivery of these presents, Mortgagor is well seized of said real estate and Premises in fee simple, and with full legal and equitable title to the mortgage property, with good right, full power and lawful authority to sell, assign, convey and mortgage the same, and that it is free and clear of encumbrances, except for the encumbrances of record, and that Mortgagor will forever defend the same against all lawful claims.

The following provision shall constitute an integral part of this Mortgage:

1. ***Payment of indebtedness and Performance of Covenants.*** Mortgagor agrees to pay, when due or declared due, all of the Liabilities secured hereby and to duly and punctually observe all

of the terms, provisions, conditions, covenants and agreements on Mortgagor's part to be performed or observed as provided in the Note, this Mortgage and all other documents which evidence, secure or guarantee the Liabilities hereby secured.

2. **Representations.** Mortgagor hereby covenants and represents that:

(a) Mortgagor is duly authorized to make and enter into this Mortgage and to carry out the transactions contemplated herein.

(b) This Mortgage has been duly executed and delivered pursuant to authority legally adequate therefor; Mortgagor has been and is authorized and empowered by all necessary persons having the power of direction over it to execute and deliver said instrument; said instrument is a legal, valid and binding obligation of Mortgagor, enforceable in accordance with its terms, subject, however to bankruptcy and other law, decisional or statutory, of general application affecting the enforcement of creditors' rights, and to the fact that the availability of the remedy of specific performance or of injunctive relief in equity is subject to the discretion of the court before which any proceeding therefor may be brought.

(c) Mortgagor is not now in default under any instruments or obligations relating to the Premises and no party has asserted any claim of default against Mortgagor relating to the Premises.

(d) The execution and performance of this Mortgage and the consummation of the transactions hereby contemplated will not result in any breach of, or constitute a default under, any mortgage, lease, bank loan, or credit agreement, trust indenture, or other instrument to which Mortgagor is a party or by which it may be bound or affected; nor do any such instruments impose or contemplate any obligations which are or may be inconsistent with any other obligations imposed on Mortgagor under any other instrument(s) heretofore or hereafter delivered by Mortgagor.

(e) There are no actions, suits, or proceedings (including, without limitation, any condemnation or bankruptcy proceedings) pending or threatened against or affecting Mortgagor or the Premises, or which may adversely affect the validity or enforceability of this Mortgage, at law or in equity, or before or by any government authority; Mortgagor is not in default with respect to any writ, injunction, decree or demand of any court or any governmental authority affecting the Premises.

(f) Mortgagor has made a physical investigation of the Premises, and no Environmental Conditions (as defined in Section 3(c) hereof) are present on or affect the Premises.

(g) All statements, financial or otherwise, submitted to Mortgagee in connection with this transaction are true and correct in all respects and fairly represent the financial condition of the parties or entities covered by such statements as of the date hereof.

(h) The execution of this Mortgage does not subject Mortgagee to the reporting requirements under the Illinois Responsible Property Transfer Act ("IRPTA") with regard to the

Premises or Mortgagor will prepare and record all necessary and proper documents required under IRPTA and do all things necessary to comply with the provision of IRPTA.

3. *Maintenance, Repair, Compliance with Law, etc.*

(a) Mortgagor agrees: (i) not to abandon the Premises; (ii) to keep the Premises in good, safe and insurable condition and repair and not to commit or suffer waste; (iii) to refrain from impairing or diminishing the value of the Premises or this Mortgage; and (iv) to cause the Premises to be managed in a competent and professional manner.

(b) Without the prior written consent of Mortgagee, Mortgagor shall not cause, suffer or permit any (i) material alterations of the Premises except as required by law or ordinance; (ii) change in the intended use or occupancy of the Premises for which the improvements were constructed, including without limitation any change which would increase any fire or other hazard; (iii) change in the identity of the person or firm responsible for managing the Premises; (iv) zoning reclassifications with respect to the Premises; (v) unlawful use of, or nuisance to exist upon, the Premises; (vi) granting of any easements, licenses, covenants, conditions or declarations of use against the Premises; or (vii) execution by Mortgagor of any leases without the prior written consent of Mortgagee.

(c) Mortgagor agrees not to cause or permit any toxic or hazardous substance or waste, or underground storage tanks, or any other pollutants which could be detrimental to the Premises, human health, or the environment, or that would violate any local, state or federal laws or regulations (collectively, "Environmental Conditions") to be present on or affect the Premises. If at any time Environmental Conditions are present or affect the Premises, Mortgagor agrees to indemnify, defend and save Mortgagee, its successors and assigns, harmless, from and against the following (i) any liability, loss, cost, damage or expense (including, without limitation, attorneys' fees and expenses) arising from the imposition or recording of a lien, the incurrence of any clean-up and removal costs under any hazardous waste, environmental protection, spill compensation, clean air and water, or other local, state or federal laws (collectively, the "Environmental Laws") with respect to the Premises, or to any other real or personal property owned by Mortgagor (or Mortgagor's beneficiary) in the State of Illinois, or liability to any third party in connection with any violation of the Environmental Laws or other action by Mortgagor or its agents, (ii) any loss of value in the Premises as a result of any such lien, such clean-up and removal costs, or such other liability incurred pursuant to (i) above, and (iii) any liability, loss, cost, damage or expense arising from any failure or defect in title occasioned by any of the applicable Environmental Laws.

4. *Taxes, Liens.*

(a) Mortgagor agrees to pay, not later than the due date and before any penalty or interest attaches, all general taxes and all special taxes, special assessments, water, drainage and sewer charges and all other charges, of any kind whatsoever, ordinary or extraordinary, which may be levied, assessed or imposed on or against the Premises and, at the request of the Mortgagee, to exhibit to Mortgagee, official receipts evidencing such payments.

(b) Mortgagor shall not create or suffer or permit any mortgage, lien, charge or encumbrance to attach to or be filed against the Premises, whether such lien or encumbrance is inferior or superior to the lien of this Mortgage, including mechanic's liens, materialmen's liens, or other claims for lien made by parties claiming to have provided labor or materials with respect to the Premises and excepting only the lien of real estate taxes and assessments not due or delinquent, and any liens and encumbrances of Mortgagee.

5. **Change in Tax Laws.** Mortgagor agrees that, if the United States or the State of Illinois or any of their subdivisions having jurisdiction, shall levy, assess, or charge any tax, assessment or imposition upon this Mortgage or the credit or indebtedness secured hereby or the interest of Mortgagee in the Premises or upon Mortgagee by reason of or as holder of any of the foregoing, then, Mortgagor shall pay (or reimburse Mortgagee for) such taxes, assessments or impositions, and, unless all such taxes, assessments and impositions are paid or reimbursed by Mortgagor when and as they become due and payable, all sums hereby secured shall become immediately due and payable, at the option of Mortgagee, notwithstanding anything contained herein or in any law heretofore or hereafter enacted.

6. **Restriction on Transfer.** Mortgagor shall not, without the prior written consent of Mortgagee, create, effect, contract for, consent to, suffer or permit any "Prohibited Transfer" (as defined herein). Any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest or other encumbrances or alienation (or any agreement to do any of the foregoing) of any of the following properties, rights or interest which occurs, is granted, accomplished, attempted or effectuated without the prior written consent of Mortgagee shall constitute a "Prohibited Transfer":

(a) the Premises or any part thereof or interest therein, excepting only sales or other dispositions of Collateral (herein called "Obsolete Collateral") no longer useful in connection with the operation of the Premises, provided that prior to the sale or other disposition thereof, such Obsolete Collateral has been replaced by Collateral of at least equal value and utility which is subject to the lien hereof with the same priority as with respect to the Obsolete Collateral;

(b) all or any portion of the beneficial interest or power of direction in or to the trust under which Mortgagor is acting, if Mortgagor is a Trustee;

(c) any shares of capital stock of: (i) a corporate Mortgagor, (ii) a corporation which is a beneficiary of a land trust whose trustee is the Mortgagor, (iii) a corporation which is a general partner in a partnership Mortgagor, (iv) a corporation which is a general partner in a partnership beneficiary of a trustee Mortgagor, or (v) a corporation which is the owner of substantially all of the capital stock of any corporation described in this subparagraph (other than the shares of capital stock of a corporate trustee or a corporation whose stock is publicly traded on a national securities exchange or on the National Association of Securities Dealers' Automated Quotation System); or

(d) all or any part of the partnership or joint venture interest, as the case may be, of any Mortgagor or any direct or indirect beneficiary of a Trustee Mortgagor if Mortgagor or such

beneficiary is a partnership or a joint venture; whether any conveyance, sale, assignment, transfer, lien, pledge, mortgage, security interest, encumbrance or alienation is effected directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise. Mortgagor acknowledges that Mortgagee shall be under no obligation to consent to any of the foregoing Prohibited Transfers and that any such consent may be subject to changes in the applicable interest rate charged in the Note, the imposition of a fee or to such other modifications to the terms and conditions in the Note, this Mortgage or any other security documents as Mortgagee in its sole discretion may determine.

7. Insurance.

(a) Mortgagor agrees to maintain in force at all times: (i) fire and extended coverage insurance (including, without limitation, windstorm, earthquake, explosion, flood and such other risks usually insured against by owners of like properties) on the Premises an amount not less than one hundred percent (100%) of the full insurable value of the mortgaged Premises; (ii) comprehensive public liability insurance against death, bodily injury and property damage not less than \$2,000,000 single limit coverage; (iii) steam boiler, machinery and pressurized vessel insurance; (iv) rental or business interruption insurance in amounts sufficient to pay, for a period of up to four (4) months, all amounts due to be paid by Mortgagee pursuant to the Note and this Mortgage; and (v) the types and amounts of insurance that are customarily maintained by owners or operators of like properties.

(b) Mortgagor will also maintain flood insurance, if required by the Mortgagee, pursuant to a designation of the area in which the mortgaged Premises are located as flood prone or a flood risk area, as defined by the Flood Disaster Protection Act of 1973, as amended, in an amount to be determined by the Mortgagee from time to time, when appropriate, as well as comply with any additional requirements of the National Flood Insurance Program as set forth in said Act.

(c) All such insurance shall be written by companies and on forms with endorsements satisfactory to Mortgagee, all with suitable loss-payable and standard non-contribution mortgage clauses in favor of Mortgagee attached. Certified copies of the policies evidencing the same shall be kept constantly deposited with Mortgagee. All said policies shall provide for written notice to Mortgagee of the expiration of any such policy, and a certified copy of an appropriate renewal policy shall be deposited with Mortgagee. In case of loss, Mortgagee is authorized to collect all insurance proceeds and apply them, at its option, to the reduction of the Liabilities hereby secured, whether due or not then due, or, at Mortgagee's option, may allow Mortgagor to use such money, or any part thereof, in repairing the damage or restoring the improvements.

(d) Mortgagee shall notify Mortgagor, in writing, of any loss to the Premises covered by insurance, and Mortgagor hereby directs each insurance company to make payment for such loss directly and solely to Mortgagee; and Mortgagor agrees that any payment which is delivered, for any reason, to Mortgagor shall be held in trust for Mortgagee and promptly delivered in the form received (except for any necessary endorsements thereon) to Mortgagee.

8. Compliance with Laws. Mortgagor agrees that it will comply with all restrictions

affecting the Premises and with all laws, ordinances, acts, rules, regulations and orders of any legislative, executive, administrative or judicial body, commission or officer (*whether federal, state or local*) exercising any power or regulation or supervision over Mortgagor, or any part of the Premises, whether the same be directed to the repair thereof, manner or use thereof, structural alterations or buildings located thereon, or otherwise.

9. **Stamp Tax.** Mortgagor agrees that, if the United States Government or any department, agency or bureau thereof or of the State of Illinois or any of its subdivisions shall at any time require documentary stamps to be affixed to the Mortgage, Mortgagor will, upon request, pay for the stamps in the required amount and deliver them to Mortgagee and Mortgagor agrees to indemnify Mortgagee against liability on account of such documentary stamps, whether such liability arises before or after payment of the Liabilities and regardless whether this Mortgage shall have been released.

10. **Financial Statements.** Mortgagor will, within ninety (90) days after the end of each fiscal or calendar year of Mortgagor, furnish to Mortgagee, the Mortgagor's financial and operating statements for such fiscal or calendar year, including without limitation, a balance sheet and supporting schedules, detailed statement of income and expenditures and supporting schedules, including depreciation schedules and federal income tax figures, all prepared in accordance with generally accepted principles of accounting consistently applied. Such financial and operating statements shall be prepared by an accountant, the identity of which is acceptable to Mortgagee, and in such form as may be acceptable to Mortgagee, and Mortgagee may, by notice in writing to Mortgagor, at Mortgagor's expense, audit the respective books and records of Mortgagor.

11. **Deposits for Taxes and Insurance Premiums.** Upon written request by Mortgagee, Mortgagor agrees to thereafter make monthly deposits in an account, which account shall be pledged to Mortgagee, at a bank, of an amount equal to the sum of 1/12th of the annual general real estate taxes levied on the Premises and 1/12th of the annual premium required to maintain insurance in force on the Premises in accordance with the provisions of this Mortgage, the amount of such taxes and premiums, if unknown, to be estimated on the basis of the previous year's taxes or premiums, if any, or by such person or corporation as is acceptable to Mortgagee. Mortgagor shall provide Mortgagee with the original real estate tax bill or insurance invoice not later than ten (10) days before the payment is due and shall concurrently deposit in said account an amount equal to the difference between the amount available in the aforesaid escrow account for such payment (*giving effect to other taxes or expenses which are also paid from said account*) as shown on Mortgagee's records and the amount required to be paid. Provided that no default has occurred, funds in such account (*including the supplemental deposits required by the preceding sentence*) shall be used by Mortgagor to pay such taxes and premiums on their respective due dates. From and after the occurrence of a default under this Mortgage, Mortgagor will pay such funds to Mortgagee for application on the Liabilities. Mortgagee, in its sole discretion, may waive from time to time the requirement that such deposits be made, and if Mortgagee shall at any time waive such requirement, Mortgagor shall furnish Mortgagee with copies of paid tax receipts and insurance premium receipts not later than five (5) days before the payment is due.

12. *Leases.* Mortgagor agrees faithfully to perform all of its obligations under all present and future leases or other agreements relative to the occupancy of the Premises at any time assigned to Mortgagee by separate instrument as additional security and to refrain from any actions or inaction which could result in termination of any such leases or agreements or in the diminution of the value thereof or of the rents or revenues due thereunder. Mortgagor further agrees that any lease of the Premises made after the date of recording of this Mortgage shall contain a covenant to the effect that such leases shall, at Mortgagee's option, agree to attorn to Mortgagee as lessor and, upon demand, to pay rent to Mortgagee.

13. *Indemnification.* Mortgagor agrees to indemnify Mortgagee from all loss, damage and expense, including reasonable attorneys' fees and paralegals' fees and expenses and the costs of any settlement or judgement, incurred in connection with any suit or proceeding in or to which Mortgagee may be made a party for the purpose of protecting the lien of this Mortgage, and all such fees, expenses and costs shall be additional Liabilities secured hereby.

14. *Condemnation.* Mortgagor agrees that, if at any time it shall become aware of the institution of condemnation proceedings against the Premises or any part thereof, it shall immediately inform Mortgagee of the pendency of such proceedings. Mortgagor may, at its option, participate in such proceedings, and Mortgagor agrees to provide Mortgagee with any evidence that Mortgagee may seek in connection with such proceedings. Mortgagor hereby assigns to Mortgagee, as additional security, all awards of damage resulting from condemnation proceedings or the taking of or injury to the Premises for public use, and Mortgagor agrees that the proceeds of all such awards shall be paid to Mortgagee and may be applied by Mortgagee, at its option, after the payment of all its expenses in connection with such proceedings, including reasonable attorneys' fees and expenses, to the reduction of the Liabilities hereby secured, and Mortgagee is hereby authorized, on behalf of and in the name of Mortgagor, to execute and deliver valid acquittance for and to appeal from any such award.

15. *Mortgagee's Performance of Mortgagor's Obligations.* Mortgagor agrees that, from and after the occurrence of a default under this Mortgage, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagor, in any form and manner deemed expedient after reasonable inquiry into the validity thereof. By way of illustration and not in limitation of the foregoing, Mortgagee may, but need not, (a) make full or partial payments of insurance premiums which are unpaid by Mortgagor, coordinate liens or encumbrances, if any, and (b) purchase discharge, compromise or settle any tax lien or any other lien, encumbrance, suit, proceeding, title or claim thereof, or (c) redeem all or any part of the Premises from tax or assessment. All money paid for any of the purposes herein authorized and all other moneys advanced by Mortgagee to protect the Premises and the lien hereof shall be additional Liabilities secured hereby and shall become immediately due and payable without notice and shall bear interest at five percent (5%) over the then applicable interest rate under the Note ("*Interest Rate*") until paid to Mortgagee in full. In making any payment hereby authorized relating to taxes, assessments or prior or coordinate liens or encumbrances, Mortgagee shall be the sole judge of the legality, validity and priority thereof and of the amount necessary to be paid in satisfaction thereof.

16. **Inspection of Books and Records.** Mortgagee, or any person designated by Mortgagee in writing, shall have the right, from time to time hereafter, to call at the Premises (or any other place where information relating thereto is kept or located) during reasonable business hours and, without hindrance or delay, to make such inspection and verification of the Premises, and the affairs, finances and business of Mortgagor (including all books, records and documents relating thereto) in connection with the Premises, as Mortgagee may consider reasonable under the circumstances, and to discuss the same with any agents or employees of Mortgagor.

17. **Default.** Any of the following occurrences or acts shall constitute an event of default under this Mortgage ("Default"): (i) the occurrence of a "Event of Default" (as the term is defined in the Note) (whether in payment or otherwise) under the Note or any loan agreement, security agreement or other agreement securing the payment of the Note which is not cured under applicable grace periods, if any; (ii) Mortgagor (regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceedings, at law, in equity, or before any administrative tribunal, which have prevented or might have the effect of preventing Mortgagor from complying with the terms of this Mortgage) shall fail to observe or perform any of Mortgagor's covenants, agreements, or obligations under this Mortgage; (iii) a Default shall occur under any other document, agreement or instrument heretofore, now or at any time executed between Mortgagor and Mortgagee; (iv) default in the performance of any obligation to Mortgagee; (v) the occurrence of a Prohibited Transfer; or (vi) the Premises or a substantial part thereof shall have been abandoned for thirty (30) consecutive days. If any such Default shall have occurred, then, to the extent permitted by applicable law, the following provisions shall apply:

(a) All sums secured hereby shall, at the option of Mortgagee, become immediately due and payable without presentment, demand or further notice.

(b) It shall be lawful for Mortgagee to (i) immediately sell the Premises either in whole or in separate parcels, as prescribed by Illinois law, under power of sale, which power is hereby granted to Mortgagee to the full extent permitted by Illinois law, and thereupon, to make and execute to any purchaser (s) thereof deeds of conveyance pursuant to applicable law or (ii) immediately foreclose this Mortgage. The court in which any proceeding is pending for the purpose of foreclosure of this Mortgage may, at once or at any time thereafter, either before or after sale, without notice and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment or the Liabilities secured hereby, and without regard to the then value of the Premises or the occupancy thereof as a homestead, appoint a receiver (the provisions for the appointment of a receiver and assignment of rents being an express condition upon which the loan hereby secured is made) for the benefit of Mortgagee with power to collect the rents, issues and profits of the Premises, due and to become due, during such foreclosure suit and the full statutory period of redemption notwithstanding any redemption. The receiver, out of such rents, issues and profits when collected, may pay costs incurred in the management and operation of the Premises, prior and coordinate liens, if any, and taxes, assessments, water and other utilities and insurance, then due or thereafter accruing, and may make and pay for any necessary repairs to the Premises, and may pay all or any part of the Liabilities or other sums secured hereby or any deficiency decree entered in such foreclosure proceedings.

(c) Mortgagee shall, at its option, have the right, acting through its agents or attorney, either with or without process of law, forcibly or otherwise, to enter upon and take possession of the Premises, expel and remove any persons, goods, or chattels occupying or upon the same, to collect or receive all the rents, issues and profits thereof and to manage and control the same, and to lease the same or any part hereof, from time to time, and after deducting all reasonable attorneys' fees and expenses, and all reasonable expenses incurred in the protection, care, maintenance, management and operation of the Premises, apply the remaining net income upon the Liabilities or other sums secured hereby or upon any deficiency decree entered in any foreclosure proceedings.

(d) If more than one property, lot or parcel is covered by this Mortgage, and if this Mortgage is foreclosed upon, or judgement is entered upon any obligation secured hereby, or if Mortgagee exercises its power of sale, execution may be made upon or Mortgagee may exercise its power of sale against any one or more of the properties, lots or parcels and not upon the others, or upon all of such properties or parcels, either together or separately, and at different times or at the same time, and execution sales or sales by advertisement may likewise be conducted separately or concurrently, in each case at Mortgagee's election.

(e) In the event of a foreclosure of this Mortgage, the Liabilities then due the Mortgagee shall not be merged into any decree of foreclosure entered by the court, and Mortgagee may concurrently or subsequently seek to foreclose one or more mortgages which also secure said Liabilities.

18. **Foreclosure.** In any foreclosure of this Mortgage by action, or any sale of the Premises by advertisement, there shall be allowed (and included in the decree for sale in the event of a foreclosure by action), to be paid out of the rents or the proceeds of such foreclosure proceeding or sale;

(a) all of the Liabilities and other sums secured hereby which then remain unpaid;

(b) all other items advanced or paid by Mortgagee pursuant to this Mortgage, with interest thereon at the Interest Rate from the date of advertisement; and

(c) all court costs, attorneys' and paralegals' fees and expenses, appraiser's fees, advertising costs, notice expenses, expenditures for documentary and expert evidence, stenographer's charges, publication costs, and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantees, title insurance policies, Torrens certificates and similar data with respect to title which Mortgagee may deem necessary. All such expense shall become additional Liabilities secured hereby and immediately due and payable, with interest thereon at the Interest Rate, when paid or incurred by Mortgagee in connection with any proceedings, including but not limited to probate and bankruptcy proceedings, to which Mortgagee shall be a party, either as plaintiff, claimant, or defendant, by reason of this Mortgage or any indebtedness hereby secured or in connection with the preparations for the commencement of any suit for the foreclosures, whether or not actually commenced, or sale by

advertisement. The proceeds of any sale (whether through a foreclosure proceeding or Mortgagee's exercise of the power of sale) shall be distributed and applied to the items described in (a), (b) and (c) of this paragraph, as Mortgagee may in its sole discretion determine, and any surplus of the proceeds of such sale shall be paid to Mortgagor.

19. **Rights Cumulative.** Each remedy or right of Mortgagee shall not be exclusive of but shall be in addition to every other remedy or right now or hereafter existing at law or in equity. No delay in the exercise or omission to exercise any remedy or right accruing on any default shall constitute a waiver of default or constitute acquiescence therein, nor shall it affect any subsequent default of the same or different nature.

20. **Execution of Additional Documents.** Mortgagor agrees that, upon request of Mortgagee from time to time, it will execute, acknowledge and deliver all such additional instruments and further assurances of title and will do or cause to be done all such further acts and things as may reasonably be necessary to fully effectuate the intent of this Mortgage.

21. **WAIVER OF RIGHT OF REDEMPTION.** MORTGAGOR REPRESENTS THAT IT HAS BEEN AUTHORIZED TO, AND MORTGAGOR DOES HEREBY, WAIVE (TO THE FULL EXTENT PERMITTED UNDER ILLINOIS LAW) ANY AND ALL STATUTORY OR EQUITABLE RIGHTS OF REDEMPTION FROM SALE, FOR REINSTATEMENT OR ANY OTHER RIGHT UNDER ANY "MORATORIUM LAW" ON BEHALF OF MORTGAGOR AND EACH AND EVERY PERSON, EXCEPT DECREE OR JUDGEMENT CREDITORS OF MORTGAGOR, ACQUIRING ANY INTEREST IN OR TITLE TO THE PREMISES SUBSEQUENT TO THE DATE HEREOF.

22. **Representation of Title.** At the time of the delivery of these Premises, the Mortgagor is well seized of an indefeasible estate in fee simple in the portion of the Premises which constitutes real property and owns good title to the portion of the Premises which constitutes personal property and has good right, full power and lawful authority to convey and mortgage and grant a security interest in the same, in the manner and form aforesaid; that the same is free and clear of all liens, charges, easements, covenants, conditions, restrictions and encumbrances whatsoever, and that, Mortgagor shall and will forever defend the title to the Premises against the claims of all person whatsoever.

23. **Future Advances.** At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures as part of the Liabilities the payment of any and all loan commissions, service charges, liquidated damages, attorneys' fees, expenses and advances due to or incurred by Mortgagee in connection with the Liabilities, all in accordance with the Note, this Mortgage, and any other security documents.

24. **Non-Marshalling Provision.** Mortgagor hereby agrees that Mortgagee shall have no obligation to marshal any collateral which secures the Liabilities, and it shall require any other of its creditors to waive any such marshalling obligation.

25. *Miscellaneous.*

(a) Mortgagor agrees that, without affecting the liability of any person for payment of the Liabilities secured hereby or affecting the lien of this Mortgage upon the Premises or any part thereof (*other than persons or property explicitly released as a result of the exercise by Mortgagee of its rights and privileges hereunder*), Mortgagee may at any time and from time to time, on request of the Mortgagor, without notice to any person liable for payment of any Liabilities secured hereby, extend the time, or agree to alter the terms of payment of such Liabilities.

(b) Mortgagor certifies and agrees that proceeds of the Note will be used for proper business purposes, and consistently with all applicable laws and statutes.

(c) Mortgagor agrees that this Mortgage is to be construed and governed by the laws of the State of Illinois. Wherever possible, each provision of this Mortgage shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Mortgage shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Mortgage.

(d) Upon full payment of all sums secured hereby or upon application on the Liabilities of the proceeds of any sale of the Premises in accordance with the provisions of this Mortgage, at the time and in the manner provided, this conveyance shall be null and void and, upon demand therefore following such payment, a satisfaction of mortgage shall be provided by Mortgagee to Mortgagor.

(e) This Mortgage shall be binding upon the Mortgagor and upon the successors, assigns and vendees of this Mortgagor and shall inure to the benefit of the Mortgagee's successors and assigns. All references herein to the Mortgagor and to the Mortgagee shall be deemed to include their successors and assigns. Mortgagor's successors and assigns shall include, without limitation, a receiver, trustee or debtor in possession of or for the Mortgagor.

(f) All notices, demands, consents, requests, approvals, undertakings or other instruments required or permitted to be given in connection with this Mortgage shall be in writing and shall be sent by United States registered or certified mail, addressed to the address shown on page one hereof, or such other address as was last specified by either party.

(g) Time is of the essence of the Note, this Mortgage, and any other document or instrument evidencing or securing the Liabilities.

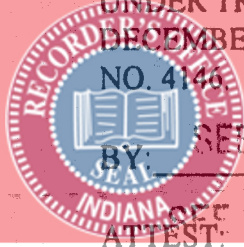
(h) No modification, waiver, estoppel, amendment, discharge or change of this Mortgage or any related instrument shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, estoppel, amendment, discharge or change is sought.

(i) TO INDUCE MORTGAGEE TO ACCEPT THIS MORTGAGE, MORTGAGOR IRREVOCABLY AGREES THAT, SUBJECT TO MORTGAGEE'S SOLE AND ABSOLUTE ELECTION, ALL ACTIONS OR PROCEEDINGS IN ANY WAY, MANNER OR RESPECT, ARISING OUT OF OR FROM OR RELATED TO THIS MORTGAGE SHALL BE LITIGATED IN COURTS HAVING SITUS WITHIN THE CITY OF GLENWOOD, STATE OF ILLINOIS. MORTGAGOR HEREBY CONSENTS TO THE JURISDICTION OF ANY LOCAL, STATE, OR FEDERAL COURT LOCATED WITHIN SAID CITY AND STATE AND WAIVES ANY OBJECTION IT MAY HAVE BASED ON IMPROPER VENUE OR FORUM NON CONVENIENS TO THE CONDUCT OF ANY PROCEEDING INSTITUTED HEREUNDER AND CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT.

(j) MORTGAGOR AND MORTGAGEE IRREVOCABLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING (I) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS MORTGAGE OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR (II) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS MORTGAGE OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREE THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

IN WITNESS WHEREOF, this instrument is executed by Mortgagor as of the date and year first above written.

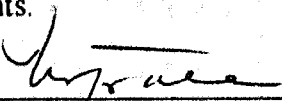
LAKE COUNTY TRUST COMPANY, AS TRUSTEE
UNDER TRUST AGREEMENT DATED
DECEMBER 12, 1990 AND KNOWN AS TRUST



BY: SEE SIGNATURE PAGE ATTACHED

ATTEST: SEE SIGNATURE PAGE ATTACHED

I, Maria Topala, am signing for the sole purpose to waive my Homestead Rights.

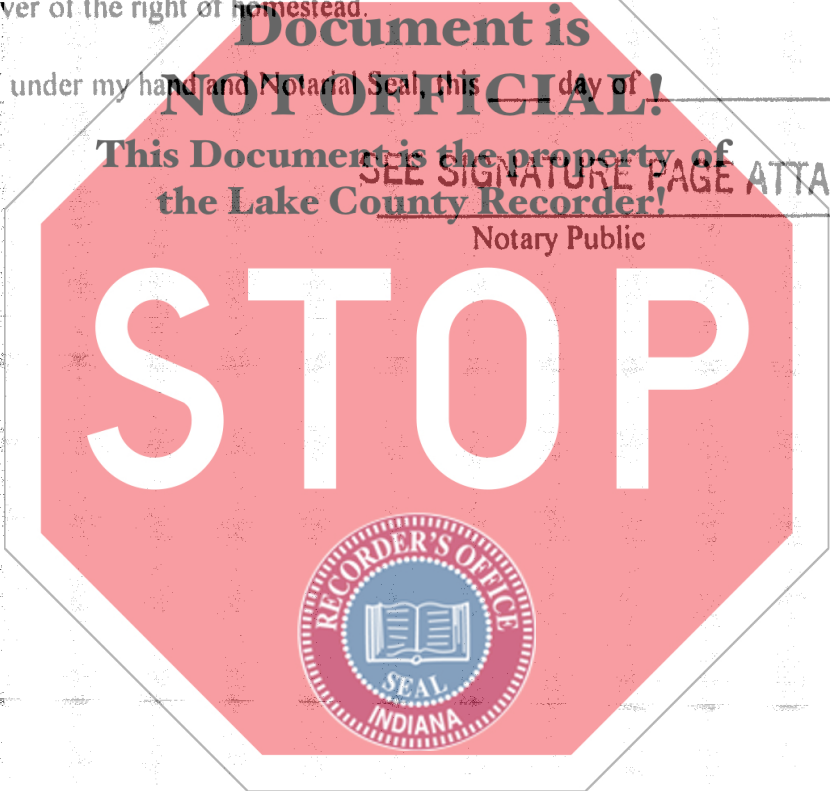


Maria Topala

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

I, the undersigned, DO HEREBY CERTIFY THAT _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged before me that he signed, sealed and delivered the said instrument as a free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

GIVEN under my hand and Notarial Seal, this _____ day of _____, 1994.



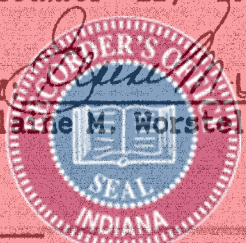
This Mortgage is executed by LAKE COUNTY TRUST COMPANY, not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee (and said LAKE COUNTY TRUST COMPANY, hereby warrants that it possesses full power and authority to execute this instrument), and it is expressly understood and agreed that nothing herein or in said principal note contained shall be construed as creating any liability on said LAKE COUNTY TRUST COMPANY personally to pay the said principal 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 said LAKE COUNTY TRUST COMPANY personally is concerned, the legal holder or holders of said principal notes and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises hereby mortgaged for the payment thereof, by the enforcement of the lien hereby created, in the manner herein and in said principal notes provided or by action to enforce the personal liability of the guarantor, if any.

Nothing contained herein shall be construed as creating any liability on LAKE COUNTY TRUST COMPANY, personally under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) or the Indiana Responsible Property Transfer Law (the Act) as amended from time to time or any other Federal, State or local law, rule or regulation. LAKE COUNTY TRUST COMPANY, personally is not a "Transferor or Transferee" under the Act and makes no representation concerning any possible environmental defects. In making any warranty herein the Trustee is relying solely on information furnished to it by the beneficiaries and not of its own knowledge and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warranty in this instrument.

IN WITNESS WHEREOF, LAKE COUNTY TRUST COMPANY, not personally but as Trustee as aforesaid, has caused these presents to be signed by its Trust Officer and attested by its Assistant Secretary this 23rd day of November, 1994.

LAKE COUNTY TRUST COMPANY, not personally but as Trustee under the provisions of a Trust Agreement dated December 12, 1990 and known as Trust No. 4146.

BY: 
Elaine M. Worstell, Trust Officer

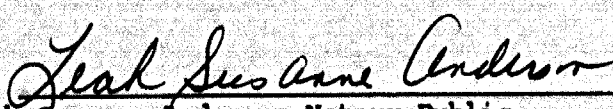


ATTEST:
BY: 
Sandra L. Stiglitz, Assistant Secretary

STATE OF INDIANA)
)SS:
COUNTY OF LAKE)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared the within named Officers of the Lake County Trust Company, who acknowledge the execution of the foregoing instrument as the free and voluntary act of said corporation, and as their free and voluntary act, acting for such corporation, as Trustee.

Witness my hand and seal this 23rd day of November, 1994.


Leah Susanne Anderson-Notary Public

My Commission Expires: April 7, 1995

Resident: Lake County, In.

COMMERCIAL MORTGAGE

EXHIBIT A

LEGAL DESCRIPTION

LOT 126 IN SOMERSET PHASE II, A SUBDIVISION IN THE TOWN OF MUNSTER, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 69, PAGE 34, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

PIN: 28-545-34

