

HERITAGE COMMUNITY BANK
ASSIGNMENT OF LEASES AND RENTS

THIS ASSIGNMENT OF LEASES AND RENTS (the "Assignment") made as of the 8th day of November, 1994 from LAKE COUNTY TRUST COMPANY, AS TRUSTEE UNDER TRUST AGREEMENT DATED DECEMBER 12, 1990 AND KNOWN AS TRUST NO. 4146 ("Borrower") to HERITAGE COMMUNITY BANK (the "Lender");

WHEREAS, Borrower has given to Lender its Note in the principal sum of Three Hundred Five Thousand Dollars (\$305,000.00) (the "Note") of even date herewith; and,

WHEREAS, Borrower delivered a mortgage (the "Mortgage") to secure the Note, which Mortgage conveys the Premises (the "Premises") described in Exhibit A hereto; and,

WHEREAS, Borrower (hereinafter sometimes called the "undersigned") is the owner of further securing the Note.

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NOW, THEREFORE, the undersigned for and in consideration of these premises and the mutual agreements herein contained and as further and additional security to the Lender and in consideration of the sum of ONE DOLLAR (\$1.00) to the undersigned in hand paid the receipt whereof is hereby acknowledged, do hereby sell, assign and transfer unto the Lender all current and future leases of the Premises (the "Leases"), or any part thereof, together with all the rents, issues and profits now due and which may hereafter become due under or by virtue of the Leases, whether written or verbal, or any letting of, or for any agreement for the use or occupancy of the Premises or any part thereof, which may have been heretofore or may be hereafter made or agreed to or which may be made or agreed to by the Lender under the powers herein granted, together with all guaranties of any of the foregoing, it being the intention hereby to establish an absolute transfer and assignment of all the said Leases and agreements, and all the avails thereof, to the Lender, and Borrower does hereby appoint irrevocably the Lender as its true and lawful attorney in its name and stead. The Trustee hereby authorized Lender (with or without taking possession of the Premises) to rent, lease or let all or any portion of the Premises to any party or parties at such rental and upon such terms, in its discretion as it may determine, and to collect all of said avails, rents, issues and profits arising from or accruing at any time hereafter, and all now due, or that may hereafter become due under each and all of the Leases and agreements, written or verbal, or other tenancy existing or which may hereafter exist on the Premises, with the same rights and power and subject to the same immunities, exoneration of liability and rights of recourse and indemnity as the Lender would have upon taking possession of the Premises pursuant to the provisions hereinafter set forth.

The undersigned represent and agree that no rent has been or will be paid by any person in possession of any portion of the Premises for more than one installment in advance and that no payment of rents to accrue for any portion of said Premises has been or will be waived, released, reduced, or discounted, or otherwise discharged or compromised of any portion of the Premises. The undersigned agree not to make any other or further assignment of the rents or profits or Leases prior to the release of this Assignment.

Heritage Community Bank

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LAKE COUNTY
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The undersigned agree and represent and Borrower warrants unto Lender, its successors and assigns as follows:

- (i) attached as Exhibit "B" is a schedule of any Leases existing as of the present date with respect to the Premises or part thereof (*the "Current Lease (s)"*); all amendments to any Current Lease(s) are designated on the aforesaid schedule; the undersigned are the sole owners of the entire lessor's interest in any Current Lease(s);
- (ii) no default exists on the part of lessor or lessee named in any Current Leases, or their successors and assigns, under the terms, covenants, provisions or agreements therein contained and there exists no state of facts which, with the giving of notice or lapse of time or both, would constitute a default under any of the Current Lease(s);
- (iii) any Current Lease(s) and any future Leases will be valid and enforceable in accordance with their terms; and shall remain in full force and effect irrespective of any merger of the interest of lessor and lessee thereunder;
- (iv) if any Current Lease(s) or future Lease provide for the abatement of rent during repair of the demised Premises by reason of fire or other casualty, the undersigned shall furnish rental insurance to Lender in amount and form and written by insurance companies as shall be satisfactory to Lender;
- (v) the undersigned shall not hereafter terminate, modify or amend any Current Lease(s) or future Lease or any of the terms thereof with the prior written consent of Lender, and any attempted termination, modification or amendment of said Current Lease(s) or future Lease, or any one of them, without such written consent shall be null and void;
- (vi) the undersigned shall perform all of the undersigned's covenants and agreements as lessor under any Current Lease(s) and any future Leases and shall not suffer or permit to occur, any release of liability of the lessee therein, or any right of the lessee therein to withhold payment of rent;
- (vii) if so requested by the Lender after default under any Current Lease(s) or any future Leases, the undersigned shall enforce any one or several of the Current Leases(s) and all remedies available to the undersigned against the Lessee therein named.

Nothing herein contained shall be construed as constituting the Lender a "mortgagee in possession" in the absence of the taking of actual possession of the Premises by the Lender pursuant to the provisions hereinafter contained. In the exercise of the powers herein granted to the Lender, no liability shall be asserted or enforced against the Lender, all such liability being expressly waived and released by the undersigned.

The undersigned further agrees to execute and deliver immediately upon the request of the Lender, all such further assurances and assignments in the Premises as the Lender shall from time to time reasonably require.

Although it is the intention of the parties that this Assignment is a present assignment, it is expressly understood and agreed, anything herein contained to the contrary notwithstanding, that the Lender shall not exercise any of the rights and powers conferred upon it herein until and unless one of the following events shall occur, which shall constitute "Events of Default" hereunder: (i) default shall be made in the payment of interest or principal due under the Note, (ii) default shall occur in performance or observance of any of the agreements or conditions in the Mortgage, or (iii) default shall be made in the performance or observance of any of the conditions or agreements hereunder, (iv) an Event of Default as that term is defined in the Loan and Security Agreement between Lake County Trust Company as Trustee under Trust Agreement Dated December 12, 1990 and known as Trust No. 4146 and Lender of even date herewith; or (v) a default in any instrument now or at any time securing the Note or the debt evidenced thereby or by any extension thereof, and in each instance, all applicable grace periods, if any, shall have expired, and nothing herein contained shall be deemed to affect or impair any rights which the Lender may have under said Note and Mortgage or any other instrument herein mentioned.

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In any case in which under the provisions of the Mortgage the Lender has a right to institute foreclosure proceedings, whether before or after the entire principal sum secured thereby is declared to be immediately due, or whether before or after institution of legal proceedings to foreclose the lien thereof or before or after sale thereunder, forthwith, upon demand of the Lender, the undersigned agree to surrender to the Lender and the Lender shall be entitled to take actual possession of the Premises of any part thereof personally, or by its agents or attorneys, and Lender in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of the Premises, together with all the documents, books, records, papers and accounts of the undersigned or then owner of the Premises relating thereto, and may exclude the undersigned, its agents or servants, wholly therefrom and may as attorney in fact or agent of the mortgagor, or in its own name as Lender and under the powers herein granted, hold, operate, manage and control the Premises and conduct the business, if any, thereof either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment of security of the avails, rents, issues and profits of the Premises, including actions for the recovery of rent, actions in forcible detainer and actions in distress of rent, hereby granting full power and authority to exercise each and every of the rights, privileges and powers herein granted at any and all times hereafter, and with full power to cancel or terminate any Lease or sublease for any cause or on any ground which would entitle undersigned to cancel the same, to elect to disaffirm any Lease or sublease made subsequent to the mortgage or subordinated to the lien thereof, to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments and improvements to the premises that may seem judicious, in its discretion, to insure and reinsure the same for all risks incidental to Lender's possession, operation and management thereof and to receive all such avails, rents, issues and profits.

The Lender shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under any Leases or rental agreements relating to the Premises, and the undersigned shall and does hereby agree to indemnify and hold the Lender harmless of and from any and all liability, loss or damage which it may or might incur under any Current Lease(s) or future Lease or under or by reason of the assignment thereof and of and from any and all claims and demand whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in said Leases. Should the Lender incur any such liability, loss or damage, under said Leases or under by reason of the assignment thereof, or in the defense of any claims or demands the undersigned agrees to reimburse the Lender for the amount thereof, including direct costs, direct expenses and reasonable attorneys' fees, immediately upon demand.

The Lender in the exercise of the rights and powers conferred upon it by this Assignment shall have full power to use and apply the avails, rents, issues and profits of the Premises to the payment of or on account of the following, in such order as the Lender may determine:

(a) To the payment of the operating expenses of the Premises, including cost of management and leasing thereof (which shall include reasonable compensation to the Lender and its agent or agents, if management be delegated to an agent or agents, and it shall also include Lease commissions and other compensation and expenses of seeking and procuring tenants and entering into Leases), establish claim for damages, if any, and premiums on insurance hereinabove authorized;

(b) To the payment of all repairs, decorating, renewals, replacements, alterations, additions, or betterments, and improvements of the premises, including, without limitation, the cost from time to time of installing or replacing such fixtures, furnishing and equipment therein, and of placing the Premises in such condition as will, in the reasonable judgement of the Lender, make it readily rentable.

(c) To the payment of any indebtedness secured by the Mortgage or any deficiency which may result from any foreclosure sale.

The undersigned further specifically and irrevocably authorizes and instructs each and every present and future lessee or tenant of the whole or any part of the Premises to pay all unpaid rental agreed upon in any tenancy to the Lender upon receipt of demand from said Lender to pay the same.

It is understood and agreed that the provisions set forth in this Assignment herein shall be deemed a special remedy given to the Lender, and shall not be deemed exclusive of any of the remedies granted in the Mortgage, but shall be deemed an additional remedy and shall be cumulative with the remedies therein granted and elsewhere granted in any instrument securing the Note, all of which remedies shall be enforceable concurrently or successively.

Whenever the word "undersigned" is mentioned herein, it is hereby understood that the same includes and shall be binding upon successors and assigns (including successors by consolidation) of

the undersigned, and any party or parties holding title to the Premises by, through or under the undersigned. All of the rights, powers, privileges and immunities herein granted and assigned to the Lender shall also inure to its successors and assigns, including all holders, from time to time, of the Note.

It is expressly understood that no judgement or decree which may be entered on any debt secured or intended to be secured by the Mortgage shall operate to abrogate or lessen the effect of this instrument, but the same shall continue in full force and effect until the payment and discharge of any and all indebtedness secured by the Mortgage, in whatever form the said indebtedness may be until the indebtedness secured by the Mortgage shall have been paid in full and all bills incurred by virtue of the authority herein contained have been fully paid out of rents, issues and profits of the property, or by the undersigned, or until such time as this instrument may be voluntarily released. This instrument shall also remain in full force and effect during the pendency of any foreclosure proceedings, both before and after sale, until the issuance of a deed pursuant to a foreclosure decree, unless the indebtedness secured by the Mortgage is fully satisfied before the expiration of any period of redemption.

If this instrument is executed by more than one person or entity, all obligations and undertakings of the undersigned herein shall be joint and several.

This instrument may be executed in any number of counterparts, each of which shall be an original, but all of which when taken together shall be deemed to constitute one and the same instrument.

BORROWER IRREVOCABLY AGREES THAT, SUBJECT TO LENDER'S SOLE AND ABSOLUTE ELECTION, ALL ACTIONS OR PROCEEDINGS IN ANY WAY, MANNER OR RESPECT, ARISING OUT OF OR FROM OR RELATED TO THIS ASSIGNMENT SHALL BE LITIGATED IN COURTS HAVING SEAT WITHIN THE CITY OF GLENWOOD, STATE OF ILLINOIS. BORROWER 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.

BORROWER AND LENDER 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 ASSIGNMENT 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 ASSIGNMENT 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, the undersigned have executed this Assignment as of the _____ day of _____, 1994.

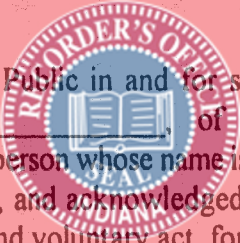


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LAKE COUNTY TRUST COMPANY, AS TRUSTEE UNDER TRUST AGREEMENT DATED DECEMBER 12, 1990 AND KNOWN AS TRUST NO. 4146.
This Document is the property of the Lake County Recorder!
SEE SIGNATURE PAGE ATTACHED

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

ATTESTEE SIGNATURE PAGE ATTACHED

I, the Undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT _____ of _____, 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 (s)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.

SEE SIGNATURE PAGE ATTACHED

Notary Public

It is expressly understood and agreed that this Assignment of Leases and Rents is executed by the LAKE COUNTY TRUST COMPANY herein designated as Trustee not personally but as Trustee as aforesaid in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is further expressly understood and agreed that LAKE COUNTY TRUST COMPANY, as Trustee as aforesaid, has no right or power whatsoever to manage, control or operate said real estate in any way or to any extent and is not entitled at any time to collect or receive for any purpose, directly or indirectly, the rents, issues, profits or proceeds of said real estate or any lease or sale or any mortgage or any disposition thereof. Nothing herein or in said mortgage contained shall be construed as creating any liability on the LAKE COUNTY TRUST COMPANY herein designated as Trustee, either individually or as Trustee aforesaid, personally to pay the said mortgage 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 the Assignee and by every person now or hereafter claiming any right or security hereunder, and that so far as the LAKE COUNTY TRUST COMPANY herein designated as Trustee, either individually or as Trustee aforesaid, or its successors, personally are concerned, the legal holder or holders of said mortgage and the owner or owners of any indebtedness accruing hereunder shall look solely to the premises described herein for the payment thereof, by the enforcement of the lien hereby created in the manner herein and in said mortgage 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. Worstall
Elaine M. Worstall, Trust Officer

ATTEST:
BY: Sandra L. Stiglitz
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 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
Leah Susanne Anderson-Notary Public

My Commission Expires:

April 7, 1995

Resident: Lake County, In.

ASSIGNMENT OF LEASES AND RENTS

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.

KEY #
PPT: 28-545-34

