

#2

CT 338365

Loan No. 431155

**MODIFICATION OF REAL ESTATE MORTGAGE NOTE,
MORTGAGE AND RELATED LOAN DOCUMENTS**

THIS MODIFICATION OF REAL ESTATE MORTGAGE NOTE, MORTGAGE AND RELATED LOAN DOCUMENTS (the "Modification"), executed as of the 1st day of December, 1991, by and between LAKE COUNTY TRUST COMPANY, as Trustee under Trust Number 4229 dated July 27, 1992 with an address at 2200 North Main Street, Crown Point, Indiana, 46307 ("Borrower"), GILBERT P. STEINER, 707 North Main Street, Crown Point, Indiana, 46307, and DEAN V. WHITE, 1000 East 80th Place, North Tower, Merrillville, Indiana, 46410, the sole beneficiaries of Borrower ("Beneficiaries") and METROPOLITAN LIFE INSURANCE COMPANY, a New York corporation, with an address at One Madison Avenue, New York, New York, 10010 ("Metropolitan"),

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WITNESSETH:

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WHEREAS:

- A. Great Lakes Mortgage Corporation ("Great Lakes") made a certain loan to Lake County Trust Company ("Trustee"), as the trustee under a certain Trust Agreement dated April 27, 1976, and known as Trust Number 2356 (the "Trust"), in the original principal amount of Seven Hundred Seventy-five Thousand Dollars (\$775,000.00) (the "Loan").
- B. The Loan is evidenced by a certain Real Estate Mortgage Note from Trustee to Great Lakes in the amount of the Loan dated May 7, 1976 (the "Note").
- C. The Note is secured by a certain Mortgage from Trustee to Great Lakes dated May 7, 1976, and recorded June 1, 1976, as Instrument No. 352884 in the Office of the Recorder of Lake County, Indiana, as modified by a certain Correction Mortgage dated May 7, 1976, and recorded January 4, 1977, as Instrument No. 387088 in the Office of the Recorder of Lake County, Indiana (collectively the "Mortgage").
- D. The Note is further secured by a certain Guaranty from the Beneficiaries to Metropolitan dated as of even date herewith (the "Guaranty").
- E. Great Lakes' interests in the Note and Mortgage were assigned to Metropolitan as evidenced by an Assignment of Mortgage dated October 29, 1976, and recorded November 3, 1976, as Instrument No. 377516 in the Office of the Recorder of Lake County, Indiana, as modified by a Correction Assignment of Mortgage dated December 6, 1976, and recorded January 4, 1977, as Instrument No. 387089 in the Office of the Recorder of Lake County, Indiana (collectively the "Assignment").

Chicago Title Insurance 95 6011178

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STATE OF INDIANA
LAKE COUNTY
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AMASA G. COLBY
CLERK OF RECORDER

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F. Balcor Pension Investors ("Balcor") made a subordinate loan to Trustee in the amount of Two Million Dollars (\$2,000,000.00) in 1980 (the "Junior Loan"). Balcor's interests in the Junior Loan were subsequently assigned to Whiteco Industries, Inc. ("Whiteco").

G. The beneficial owners of the Trust sold their beneficial interests in the trust property to Robert C. Morgan and Michael Cooper in 1986.

H. Robert C. Morgan and Michael Cooper assumed Trustee's obligations under the Loan and the Junior Loan and all documents executed in connection therewith, including the Note and Mortgage.

I. Robert C. Morgan and Michael Cooper have defaulted under the Junior Loan. In connection with the foreclosure of the Junior Loan, Whiteco obtained title to the property subject to the Mortgage by virtue of a Sheriff's Deed from the Lake County Sheriff dated April 24, 1992, and recorded May 19, 1993, as Instrument No. 93032453 in the Office of the Recorder of Lake County, Indiana. Whiteco subsequently conveyed the property subject to the Mortgage to Borrower by a certain warranty deed dated July 27, 1992, and recorded May 19, 1993, as Instrument No. 93032454 in the Office of the Recorder of Lake County, Indiana. Borrower and Beneficiaries have assumed all obligations of Robert C. Morgan and Michael Cooper under the Loan and the Note, Mortgage and all other documents executed in connection with the Loan.

J. The Loan matured on December 1, 1991; however, Borrower and the Beneficiaries have requested that Metropolitan forbear from exercising certain rights under the Note and Mortgage and that the Note and Mortgage be modified. Metropolitan has agreed to such forbearance and modification subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, including, without limitation, payment by Borrower to Metropolitan of a nonrefundable servicing fee in the amount of Five Thousand Dollars (\$5,000.00), Borrower, the Beneficiaries and Metropolitan hereby agree as follows:

1. Each of the Borrower and Beneficiaries hereby expressly assume all obligations and liabilities of Robert C. Morgan and Michael Cooper under the Loan and the Note, Mortgage and all other documents executed in connection with the Loan and agree to be bound by all terms, provisions and conditions thereof.

2. The Note and Mortgage are hereby amended to provide that the principal balance of the Note and all interest thereon and all other amounts due under the Loan, if not sooner paid, shall be due and payable on May 1, 1997, rather than December 1, 1991.

3. The Note is hereby further amended to provide that the unpaid principal balance thereunder shall bear interest from December 1, 1991, at the rate of nine and twenty-five one-hundredths percent (9.25%) per annum rather than nine and seventy-five one-hundredths percent (9.75%) per annum.

4. The Note is hereby further amended to provide that the principal and interest thereunder shall be paid as follows:

Interest only shall be payable on the first day of December, 1991, and on the first day of each month thereafter, to and including April 1, 1992, at the rate of nine and twenty-five one-hundredths percent (9.25%) per annum, with monthly payments of principal and interest commencing on May 1, 1992, and continuing on the first day of each month thereafter to and including April 1, 1997, in the amount of Six Thousand Seven Hundred Seventy-three Dollars and Eighty-nine Cents (\$6,773.89) each, with all sums due under the Note, including, but not limited to, the balance of the principal and accrued but unpaid interest, being due and payable in full on May 1, 1997.

5. The Note and Mortgage are hereby further amended to provide that Borrower may prepay the Loan, in whole, but not in part, at any time without penalty or premium.

6. The Note and Mortgage are hereby further amended to provide that, during the term of the Loan, Dean V. White shall at all times retain at least fifty-one percent (51%) ownership of the beneficial interest in Borrower. If at any time during the term of the Loan Dean V. White's beneficial ownership interest in Borrower shall be less than fifty-one percent (51%), such failure shall constitute a default hereunder and under the Note, Mortgage and all other documents executed in connection with the Loan, all as modified hereby.

7. The Mortgage is hereby further amended to provide that Borrower shall perform certain repairs and maintenance to the premises described in the Mortgage as listed on Exhibit A attached hereto and incorporated herein (the "Deferred Maintenance"). Borrower shall complete the Deferred Maintenance in a good and workmanlike manner within the time periods set forth therefor on Exhibit A. Upon the completion of the Deferred Maintenance, Borrower shall, at its sole cost and expense, provide Metropolitan with an endorsement to the existing title insurance policy issued to Metropolitan by Chicago Title Insurance Company on January 19, 1977 (Policy No. 338365) (the "Title Policy") insuring that title to the premises described in the Mortgage is free and clear of all liens and encumbrances, except those liens and encumbrances approved by Metropolitan in its sole discretion. In the event Borrower fails to complete the Deferred Maintenance in the manner and within the time periods set forth therefor on Exhibit A, or fails to provide an endorsement to the Title Policy satisfactory to Metropolitan in its sole discretion, such failure shall constitute a default hereunder and under the Note, Mortgage and all other documents executed in connection with the Loan, all as modified hereby.

8. The Mortgage is hereby further amended to add the following as a new paragraph 26 thereto:

26. RENTS AND LEASES.

(a) In order to further secure payment of the indebtedness secured hereby and the observance, performance and discharge of Mortgagor's obligations under the note, this mortgage and all other documents executed in connection therewith and herewith, Mortgagor hereby assigns to Mortgagee all of Mortgagor's right, title, interest and estate in, to and under all of the leases now or hereafter affecting the premises or any part thereof and in and to all and any income, rents, royalties, revenue, issues, profits, proceeds, accounts receivable and other benefits now or hereafter arising from the premises or any part thereof (collectively, the "Rents and Profits"). Unless and until an event of default occurs hereunder or under the note or any other document executed in connection therewith or herewith, Mortgagor shall be entitled to collect the Rents and Profits (except as otherwise provided in the mortgage) as and when they become due and payable. Mortgagee shall be liable to account only for the Rents and Profits actually received by Mortgagee pursuant to any provision hereof or the note or of any other document executed in connection therewith or herewith.

(b) Mortgagor shall duly and punctually perform all terms, covenants, conditions and agreements binding upon it or the premises under any lease or any other agreement or instrument of any nature whatsoever which involves or affects the premises or any part thereof. Mortgagor represents that it has heretofore furnished Mortgagee true and complete copies of all executed leases existing on the date of this Mortgage. Upon request of Mortgagee, Mortgagor agrees to furnish Mortgagee with executed copies of all leases hereafter entered into with respect to all or any part of the premises. Mortgagor shall not, without the express written consent of Mortgagee, (i) enter into any new lease, or (ii) modify, extend or renew, either orally or in writing, any lease now existing or hereafter created upon the premises with an unexpired term of more than five (5) years, or any part thereof. Mortgagor shall not, without the express written consent of Mortgagee, terminate or surrender any lease now existing or hereafter created upon the premises, or any part thereof, unless Mortgagor has entered into a new lease covering all of the leased premises to be terminated or surrendered, which new lease shall have been approved by Mortgagee as provided herein.

(c) Each lease of any portion of the premises shall be absolutely subordinate to the lien of this mortgage, but shall also contain a provision, satisfactory to Mortgagee, that in the event of a sale pursuant to a judgment of foreclosure, such lease shall not be terminated and the tenant thereunder shall attorn to such purchaser and, if requested to do so, shall enter into a new lease for the balance of the term of such lease then remaining, upon the same terms and conditions. If Mortgagee so requests, Mortgagor shall cause the tenant under each or any of such leases to enter into subordination and attornment agreements with Mortgagee which are satisfactory in form, scope and substance to Mortgagee.

(d) Mortgagor shall not accept payment of advance rents or security deposits equal, in the aggregate, to more than two (2) months' rent.

(e) Mortgagor covenants and agrees that all contracts and agreements relating to the premises to pay leasing commissions, management fees or other compensation shall (1) provide that the obligation to pay such commissions, fees and other compensation will not be enforceable against any party other than the party who entered into such agreement; (2) be subordinate and inferior to the lien of this mortgage; and (3) not be enforceable against Mortgagee. Mortgagor shall promptly furnish Mortgagee with evidence of Mortgagor's compliance with this paragraph upon the execution of each such contract or agreement.

9. The Mortgage is hereby further amended to add the following as a new paragraph 27 thereto:

27. SECURITY AGREEMENT.

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(a) IN ORDER TO FURTHER SECURE PAYMENT OF THE INDEBTEDNESS SECURED HEREBY AND THE OBSERVANCE, PERFORMANCE AND DISCHARGE OF MORTGAGOR'S OBLIGATIONS UNDER THE NOTE, THIS MORTGAGE AND ALL OTHER DOCUMENTS EXECUTED IN CONNECTION THEREWITH AND HERewith, MORTGAGOR HEREBY GRANTS TO MORTGAGEE A CONTINUING SECURITY INTEREST IN, AND THIS MORTGAGE CREATES A LIEN ON, ALL OF MORTGAGOR'S INTEREST IN THE PROPERTY DESCRIBED IN THE RECITALS ON PAGE 1 HEREOF (THE "PERSONAL PROPERTY"), AND TO THE EXTENT THE PERSONAL PROPERTY IS PERSONAL PROPERTY UNDER APPLICABLE LAW, THIS MORTGAGE CONSTITUTES A SECURITY AGREEMENT UNDER THE UNIFORM COMMERCIAL CODE OF THE STATE WHERE THE PERSONAL PROPERTY IS SITUATED (THE "U.C.C.") AND ANY OTHER APPLICABLE LAW AND IS FILED AS A FIXTURE FILING. UPON THE OCCURRENCE OF AN EVENT OF DEFAULT OR BREACH OF ANY COVENANT OR AGREEMENT HEREIN STIPULATED, MORTGAGEE MAY, AT ITS OPTION, PURSUE ANY AND ALL RIGHTS AND REMEDIES AVAILABLE TO A SECURED PARTY WITH RESPECT TO ANY PORTION OF THE PERSONAL PROPERTY AND/OR MORTGAGEE MAY, AT ITS OPTION, PROCEED AS TO ALL OR ANY PART OF THE PERSONAL PROPERTY IN ACCORDANCE WITH MORTGAGEE'S RIGHTS AND REMEDIES WITH RESPECT TO THE LIEN CREATED BY THIS MORTGAGE PURSUANT TO I.C. 26-1-9-402.

(b) The grant of the security interest to Mortgagee in the immediately preceding paragraph shall not be construed to derogate from or impair the lien or provisions of or the rights of Mortgagee under this Mortgage with respect to any property described herein which is real property or which the parties have agreed to treat as real property. The hereby stated intention of Mortgagor and Mortgagee is that everything used in connection with the production of income from such real property or adapted for use thereon is, and at all times

and for all purposes and in all proceedings, both legal and equitable, shall be regarded as real property, irrespective of whether or not the same is physically attached to the premises or the improvements located thereon.

(c) Mortgagor hereby irrevocably constitutes and appoints Mortgagee as its attorney-in-fact and such appointment is coupled with an interest, to execute, deliver and file with the appropriate filing officer or office such security agreements, financing statements and/or other instruments as Mortgagee may request or require in order to impose and perfect the lien and security interest created hereby more specifically on the Personal Property or any fixtures.

(d) It is understood and agreed that, in order to protect Mortgagee from the effect of U.C.C. Section 9-313, as amended from time to time, in the event that Mortgagor intends to purchase any goods which may become fixtures attached to the premises, or any part thereof, and such goods will be subject to a purchase money security interest held by a seller or any other party:

(1) Mortgagor shall, before executing any security agreement or other document evidencing or perfecting such security interest, obtain the prior written approval of Mortgagee, and all requests for such written approval shall be in writing and contain the following information:

- (i) a description of the fixtures to be replaced, added to, installed or substituted;
- (ii) the address at which the fixtures will be replaced, added to, installed or substituted; and
- (iii) the name and address of the proposed holder and proposed amount of the security interest.

Mortgagor's execution of any such security agreement or other document evidencing or perfecting such security interest without Mortgagee's prior written approval shall constitute a default hereunder. No consent by Mortgagee pursuant to this subparagraph shall be deemed to constitute an agreement to subordinate any right of Mortgagee in fixtures or other property covered by this Mortgage.

(2) If at any time Mortgagor fails to make any payment on an obligation secured by a purchase money security interest in any of the Personal Property or any fixtures, Mortgagee, at its option, may at any time pay the amount secured by such security interest. Any money paid by Mortgagee under this subparagraph, including any expenses, costs, charges and attorney's fees incurred by Mortgagee, shall be reimbursed to Mortgagee upon demand

with interest at the default rate as set forth in the note secured hereby. Mortgagee shall be subrogated to the rights of the holder of any such purchase money security interest in the Mortgagor's personal property.

(3) Mortgagee shall have the right to acquire by assignment from the holder of such security interest any and all contract rights, accounts receivable, negotiable or non-negotiable instruments, or other evidence of Mortgagor's indebtedness for such Personal Property or fixtures, and, upon acquiring such interest by assignment, shall have the right to enforce the security interest as assignee thereof, in accordance with the terms and provisions of the U.C.C. and in accordance with any other provisions of law.

(4) Whether or not Mortgagee has paid the indebtedness secured by, or taken an assignment of, such security interest, Mortgagor covenants to pay all sums and perform all obligations secured thereby, and if Mortgagor at any time shall be in default under such security agreement, it shall constitute a default hereunder.

(5) The provisions of subparagraphs (2) and (3) of this paragraph (d) shall not apply if the goods which may become fixtures are of at least equivalent value and quality as any property being replaced and if the rights of the party holding such security interest have been expressly subordinated, at no cost to Mortgagee, to the lien and security interest of this Mortgage in a manner satisfactory to Mortgagee, including without limitation, at the option of Mortgagee, providing to Mortgagee a satisfactory opinion of counsel to the effect that his Mortgage constitutes a valid and subsisting first lien on such fixtures which is not subordinate to the lien of such security interest under any applicable law, including without limitation, the provisions of Section 9-313 of the U.C.C.

(e) Mortgagor hereby warrants, represents and covenants as follows:

(1) Mortgagor is, has been and will be at all times the sole owner of the Personal Property free from any lien, security interest, encumbrance or adverse claim thereon of any kind whatsoever. Mortgagor will notify Mortgagee of, and will protect, defend and indemnify Mortgagee against, all claims and demands of all persons at any time claiming any rights of interest therein.

(2) The Personal Property is not used or bought and shall not be used or bought for personal, family, or household purposes, but shall be bought and used solely for the purpose of carrying on Mortgagor's business.

(3) The Personal Property has been located on the premises and/or improvements located thereon for at least fifteen (15) days and will be kept on or at the premises or the improvements located thereon and Mortgagor will not remove the Personal Property therefrom without the prior written consent of Mortgagee, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Mortgagor with other Personal Property of value equal to or greater than the value of the replaced Personal Property when new, and except such portions or items of Personal Property temporarily stored elsewhere to facilitate refurbishing or repair thereof or of the improvements located on the premises.

(4) Mortgagor maintains a place of business in the state of Indiana and Mortgagor will immediately notify Mortgagee in writing of any change in its principal place of business.

(5) Upon notice given by Mortgagee from time to time, Mortgagor shall prepare and deliver to Mortgagee a full inventory listing, as of the date such notice is given, all items then constituting the Personal Property and such other information as Mortgagee may request with respect to purchases or sales or other acquisitions or dispositions of the Personal Property. Each such inventory shall be certified as being true, complete and correct by a duly authorized representative of the Mortgagor. Unless Mortgagee agrees otherwise, in writing, all Personal Property will be kept at the premises.

(6) Except for the financing statement to be filed pursuant to this Mortgage or any other financing statements running for the benefit of Mortgagee, no financing statement or other acknowledgement of lien covering any Personal Property or any proceeds thereof is on file in any public office. Mortgagor shall immediately upon demand execute and deliver to Mortgagee such financing statements, assignments, and other documents in form satisfactory to Mortgagee, and do all such further acts and things as Mortgagee may at any time and from time to time reasonably request or as may be necessary or appropriate to establish and maintain a valid perfected security interest in the Personal Property, free of any liens, claims or encumbrances, and Mortgagor will pay the cost of filing or recording the same or filing or recording this Mortgage in all public offices wherever filing or recording is deemed by Mortgagee to be necessary or desirable.

(7) Except to the extent permitted under this Mortgage, Mortgagor will not sell or offer to sell, assign, pledge, lease or otherwise transfer or encumber the Personal Property, or any interest therein, without the prior written consent of Mortgagee.

(8) Mortgagor will maintain or cause to be maintained insurance at all times with respect to the Personal Property, in such form, with such companies, in such amounts and against such risks as Mortgagee may request, such insurance to be payable to the Mortgagee and Mortgagor as their interests may appear. All such policies of insurance shall provide for a minimum of thirty (30) days' prior written notice of cancellation or amendment to Mortgagee. Mortgagor shall furnish Mortgagee with certificates or other evidence satisfactory to Mortgagee showing compliance with the foregoing provisions and, if required by Mortgagee, shall deposit the policies with Mortgagee.

(9) Mortgagor will keep all Personal Property in first-class order and repair (ordinary wear and tear excepted) and will not waste or destroy (or suffer or permit the waste or destruction of) the Personal Property or any part thereof; Mortgagor will not use (or suffer or permit the use of) the Personal Property in violation of any statute, ordinance or policy of insurance thereon; and Mortgagee may examine and inspect the Personal Property at any reasonable time or times, wherever located.

(10) Mortgagor will pay or cause to be paid promptly when due all taxes, assessments and other impositions levied upon the Personal Property or for its use or operation or upon this Mortgage.

(f) The Mortgagor shall pay all costs and expenses of collection, legal expenses and reasonable attorneys' fees incurred by Mortgagee, its successors and assigns, to establish, perfect, secure and enforce the security interest purported to be created hereby and the costs and expenses of appearing in or defending any action or proceeding arising under, growing out of or in any manner connected with this Mortgage or the obligations, duties or liabilities of Mortgagor or Mortgagee hereunder.

(g) At its option, Mortgagee may discharge taxes, liens, security interests or other encumbrances at any time affecting the Personal Property and may pay for the maintenance, repair and preservation of the Personal Property. Further, Mortgagee, at its option and without notice to Mortgagor, may place and pay for insurance on the Personal Property upon failure by Mortgagor to provide insurance satisfactory to Mortgagee as provided by this Mortgage. To the extent permitted by applicable law and without limitation of any other rights and remedies it may have, Mortgagee shall be entitled to immediate reimbursement from Mortgagor for any payment made or any expense incurred by Mortgagee pursuant to the foregoing authorizations, together with interest thereon at the default rate of interest under the Note from the date paid or incurred, as the case may be, until reimbursement by Mortgagor. Until an event of default, Mortgagor may have the possession of the Personal Property and may use same in the operation of the premises in any lawful manner not inconsistent with this Mortgage and not inconsistent with any policy of insurance thereon.

(h) If a default shall occur hereunder or under the Note and be continuing at any time thereafter (such default not having been previously cured), Mortgagee shall have all the remedies of a secured party under the Uniform Commercial Code and all other rights and remedies now or hereafter provided or permitted by law, including, without limitation, the right to take immediate and exclusive possession of the Personal Property, or any part thereof, and for that purpose Mortgagee may, as far as Mortgagor can give authority therefor, with or without judicial process, enter (if this can be done without breach of the peace) upon the premises on which the Personal Property or any part thereof may be situated. Without limitation of the foregoing, Mortgagee shall be entitled to hold, maintain, preserve and prepare all of the Personal Property for sale and to dispose of said Personal Property, if Mortgagee so chooses, from the premises, provided that Mortgagee may require Mortgagor to assemble such Personal Property and make it available to Mortgagee for disposition at a place to be designated by Mortgagee (which may be other than the premises) from which the Personal Property would be sold or disposed of, and provided further that for a reasonable period of time prior to the disposition of such Personal Property, Mortgagee shall have the right to use same in the operation of the premises. Mortgagor will execute and deliver to Mortgagee any and all forms, documents, certificates and registrations as may be necessary or appropriate to enable Mortgagee to sell and deliver good and clear title to the Personal Property to the buyer at the sale as herein provided. Unless the Personal Property is of the type customarily sold on a recognized market, Mortgagee will give Mortgagor at least ten (10) days' notice of the time and place of any public sale of such Personal Property or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is given to the Mortgagor at least ten (10) days before the time of the sale or disposition. Mortgagee may buy at any public sale and, if the Personal Property is of a type customarily sold in a recognized market or is a type which is the subject of widely distributed standard price quotations, it may buy at private sale. Unless Mortgagee shall otherwise elect, any sale of the Personal Property shall be solely as a unit and not in separate lots or parcels, it being expressly agreed, however, that Mortgagee shall have the absolute right to dispose of such Personal Property in separate lots or parcels. Mortgagee shall further have the absolute right to elect to sell the Personal Property as a unit with, and not separately from, the premises. The net proceeds realized upon any disposition of the Personal Property, after deduction for the expenses of retaking, holding, preparing for sale, selling and the like and the attorneys' fees and legal expenses incurred by Mortgagee shall be applied towards satisfaction of such of the obligations secured hereby, and in such order of application, as Mortgagee may elect. If all of such obligations are satisfied, Mortgagee will account to the Mortgagor for any surplus realized on such disposition.

10. Borrower agrees that the amount payable by Borrower pursuant to Paragraph 3 of the Mortgage to enable Metropolitan to pay all taxes, assessments and other similar charges levied against the premises described in the Mortgage and all insurance premiums on any policy or policies of insurance required under the Mortgage (the "Escrow Payments"), which Escrow Payments are in addition to each monthly payment required under the Note, shall equal Three Thousand Nine Hundred Seventy-three Dollars and Four Cents (\$3,973.04) for

the Escrow Payment due on May 1, 1992, and that all Escrow Payments due on the first day of each month thereafter, to and including May 1, 1997, shall be in the amount estimated by Metropolitan to equal one-twelfth (1/12) of the annual amount of all taxes, assessments and other similar charges levied against the premises described in the Mortgage and all insurance premiums on any policy or policies of insurance required under the Mortgage.

11. Borrower agrees to furnish to Metropolitan, at its sole cost and expense, an endorsement to the Title Policy in the form attached as Exhibit B at the closing of the modification of the Loan. The failure of Borrower to provide an endorsement to the Title Policy to Metropolitan in a form and substance acceptable to Metropolitan in its sole discretion shall constitute a default hereunder and under the Note, Mortgage and all other documents executed in connection with the Loan, all as modified hereby.

12. Borrower and Beneficiaries represent and warrant that Borrower, the Beneficiaries, the premises described in the Mortgage and Borrower's and Beneficiaries' use thereof comply, and will remain in compliance, in all respects, with all applicable (a) legal and contractual requirements (including, without limitation, any and all leases) with regard to the use, occupancy and construction thereof, including, without limitation, any zoning, subdivision, environmental, air quality, flood hazard, fire safety, planning, handicapped facilities, building and other governmental laws, ordinances, codes, regulations, orders and requirements of any governmental agency; (b) building, occupancy, and other permits, licenses and other approvals; (c) declarations, conditions, easements, rights-of-way, covenants and restrictions of record, including, without limitation, those matters disclosed in the Title Policy; and (d) the premises described in the Mortgage (i) does not contain any underground storage tanks; (ii) is not listed on any CERCLIS list pursuant to 42 U.S.C. 9616; and (iii) is not subject to the Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11022); and there are no violations or alleged or asserted violations of law, municipal ordinances, public or private contracts, declarations, covenants, conditions, or restrictions of record, or other requirements with respect to the premises described in the Mortgage or any improvements located thereon or any part thereof. The failure by Borrower, Beneficiaries, the premises described in the Mortgage, or Borrower's or Beneficiaries' use thereof, to comply at any time with any of the foregoing items, including, without limitation, any restrictions or covenants of record disclosed in the Title Policy, shall constitute a default hereunder and under the Note, Mortgage and all other documents executed in connection with the Loan, all as modified hereby.

13. Great Lakes made a certain loan to Trustee in the original principal amount of Eight Hundred Thousand Dollars (\$800,000.00) (the "1977 Loan"). Trustee executed and delivered a certain Real Estate Mortgage Note to Great Lakes in the original principal amount of Eight Hundred Thousand Dollars (\$800,000.00) dated December 1, 1977 (the "1977 Note"), which 1977 Note is secured by a Mortgage from Trustee to Great Lakes dated December 1, 1977, and recorded February 9, 1978, as Instrument No. 453012 in the Office of the Recorder of Lake County, Indiana (the "1977 Mortgage"), which 1977 Note is further secured by a Security Agreement from Trustee to Great Lakes dated December 1, 1977, and assigned to

Metropolitan by Assignment dated March 1, 1978, which 1977 Note is further secured by an Assignment of Lessor's Interest in Leases from Trustee to Great Lakes dated December 1, 1977, and recorded on March 7, 1978, as Instrument No. 456880 in the Office of the Recorder of Lake County, Indiana. The 1977 Note, 1977 Mortgage and Assignment of Lessor's Interest in Leases were assigned by Great Lakes to Metropolitan by Assignment of Mortgage and Leases dated March 1, 1978, and recorded March 7, 1978, as Instrument No. 456886 in the Office of the Recorder of Lake County, Indiana. The Trustee's interests in the 1977 Note, 1977 Mortgage, Security Agreement and Assignment of Lessor's Interest in Leases were subsequently assigned to and assumed by Borrower and Beneficiaries. Borrower and Beneficiaries agree that the occurrence of a default hereunder or under the Note, Mortgage or any other document executed in connection with the Loan, all as amended hereby, shall constitute a default under the 1977 Note, 1977 Mortgage, Security Agreement and Assignment of Lessor's Interest in Leases, all as amended by the Modification of the 1977 Loan of even date herewith, and a default under the 1977 Note, 1977 Mortgage, Security Agreement, Assignment of Lessor's Interest in Leases, or any other documents executed in connection with the 1977 Loan, all as amended by the Modification of the 1977 Loan of even date herewith, shall constitute a default under the Note, Mortgage and all other documents executed in connection with the Loan, all as modified hereby.

14. This Modification shall be governed by and construed in accordance with the laws of the State of Indiana.

15. All terms and provisions contained in this Modification shall be incorporated into and made a part of the Note and the Mortgage and all other terms and conditions set forth in the Note and the Mortgage shall remain in full force and effect and unmodified by this Modification.

16. This Modification shall be binding upon and inure to the benefit of Metropolitan and Borrower and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned have executed this Modification of Real Estate Mortgage Note, Mortgage and Related Loan Documents as of the day and year set forth above.

LAKE COUNTY TRUST COMPANY, as
Trustee under Trust Number 4229

SEE SIGNATURE PAGE ATTACHED
By: _____

Its: _____

"Borrower"

It is expressly understood and agreed by and between the parties hereto, anything herein to the contrary notwithstanding, that each and all of the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee while in form purporting to be the warranties, indemnities, representations, covenants, undertakings and agreements of said Trustee are nevertheless each and every one of them, made and intended not as personal warranties, indemnities, covenants, undertakings and agreements by the Trustee or for the purpose or with the intention of binding said Trustee personally but are made and intended for the purpose of binding only that portion of the trust property specifically described herein, and this instrument is executed and delivered by said Trustee not in its own right, but solely in the exercise of the powers conferred upon it as such Trustee; and that no personal liability or personal responsibility is assumed by nor shall at any time be asserted or enforceable against LAKE COUNTY TRUST COMPANY on account of this instrument or on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the said Trustee in this instrument contained, either expressed or implied, all such personal liability, if any, being expressly waived and released.

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 representations 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 by this document and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warranty in this instrument.

The information contained in this instrument has been furnished the undersigned by the beneficiaries under aforesaid Trust and the statements made therein are made solely in reliance thereon and no responsibility is assumed by the undersigned, in its individual capacity for the truth or accuracy of the facts herein stated.

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 28th day of November, 1994.

LAKE COUNTY TRUST COMPANY, not personally but as Trustee under the provisions of a Trust Agreement dated July 27, 1992 and known as Trust No. 4229.

BY: Elaine M. Worstell
Elaine M. Worstell, 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 28th day of November, 1994.

Leah Susanne Anderson
Leah Susanne Anderson-Notary Public

Dean V. White
Dean V. White

Gilbert P. Steiner
Gilbert P. Steiner

"Beneficiaries"

METROPOLITAN LIFE INSURANCE
COMPANY

**Document is
NOT OFFICIAL!**

This Document is the property of
the Lake County Recorder!

By: [Signature]
Its: Investment Officer [Signature]

"Metropolitan"



STATE OF INDIANA)
)
COUNTY OF LAKE) SS:

Before me, the undersigned, a Notary Public in and for said County and State personally appeared the within named _____, as Vice President and Trust Officer and _____ as Assistant Secretary of the Lake County Trust Company, who acknowledged 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 Notarial Seal this _____ day of _____, 1994.



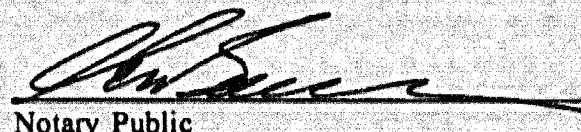
My Commission Expires: _____

My County of Residence: _____

STATE OF INDIANA)
)
COUNTY OF LAKE) SS:

Before me, a Notary Public in and for said County and State, personally appeared Gilbert P. Steiner, and acknowledged the execution of the foregoing "Modification of Real Estate Mortgage Note, Mortgage and Related Loan Documents" as his voluntary act and deed.

WITNESS my hand and Notarial Seal this 22 day of November, 1994.



Notary Public
Carol Ann Bowman
(Printed Signature)

My Commission Expires:
10-18-95

My County of Residence:
Porter

STATE OF INDIANA
COUNTY OF PORTER



Before me, a Notary Public in and for said County and State, personally appeared Dean V. White, and acknowledged the execution of the foregoing "Modification of Real Estate Mortgage Note, Mortgage and Related Loan Documents" as his voluntary act and deed.

WITNESS my hand and Notarial Seal this 19 day of November, 1994.





Notary Public
Carol Ann Bowman
(Printed Signature)

My Commission Expires:
10-18-95

My County of Residence:
Porter

STATE OF Illinois)
) SS:
COUNTY OF DuPage)

Before me, a Notary Public in and for said County and State, personally appeared ROBERT J. TERRY, by me known and by me known to be the AGENT of Metropolitan Life Insurance Company, who acknowledged the execution of the foregoing "Modification of Real Estate Mortgage Note, Mortgage and Related Loan Documents" on behalf of said corporation.

WITNESS my hand and Notarial Seal this 29th day of December, 1994.

"OFFICIAL SEAL"
JOAN LOSSAU
Notary Public, State of Illinois
My Commission Expires 8/19/95

Document is Joan Lossau
Notary Public
NOT OFFICIAL!

This Document is the property of
Joan Lossau
(Printed Signature)
the Lake County Recorder!

My Commission Expires:
8-19-95

My County of Residence:
COOK

CONSENT AND REAFFIRMATION OF GUARANTORS



The Guarantors of the above-referenced Real Estate Mortgage Note hereby consent to the modifications made by this Modification of Real Estate Mortgage Note, Mortgage and Related Loan Documents and reaffirm their obligations as Guarantors under a certain Guaranty dated as of even date herewith, and agree that such obligations shall remain in full force and effect.

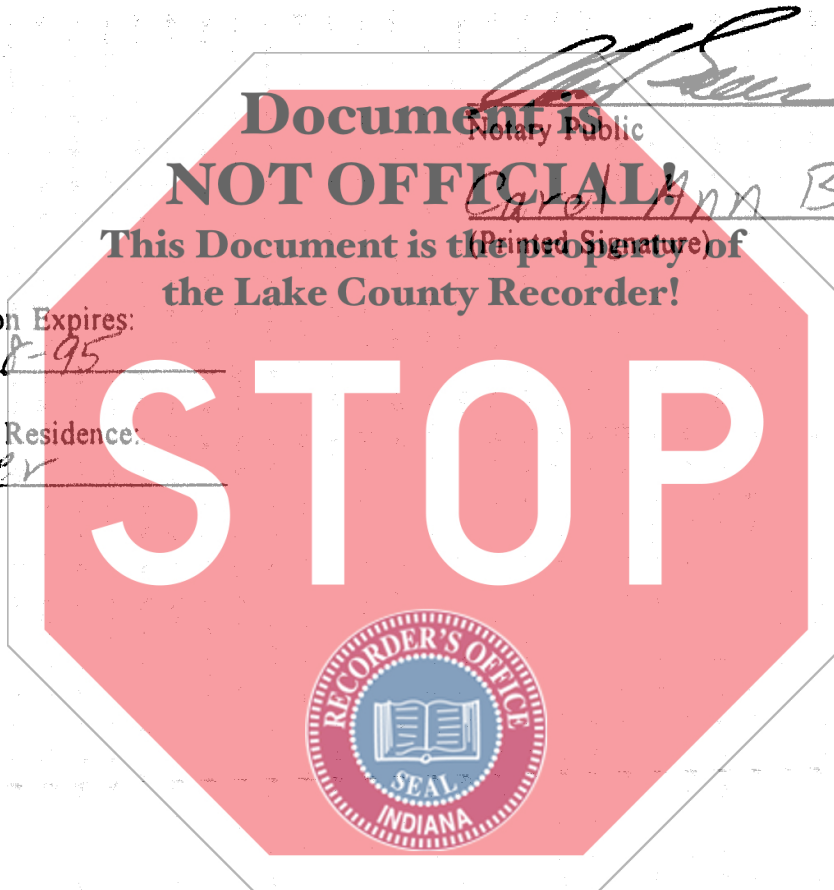
Dean V. White
Dean V. White

Gilbert P. Steiner
Gilbert P. Steiner

STATE OF INDIANA
COUNTY OF LAKE) SS:
)

Before me, a Notary Public in and for said County and State, personally appeared Dean V. White, and acknowledged the execution of the foregoing "Consent and Reaffirmation of Guarantors" as his voluntary act and deed.

WITNESS my hand and Notarial Seal this 19 day of November,
1994.



Document is
Notary Public
NOT OFFICIAL!
Carol Ann Bowman
(Printed Signature)
This Document is the property of
the Lake County Recorder!

My Commission Expires:
10-18-95

My County of Residence:
Porter

STATE OF INDIANA
COUNTY OF LAKE) SS:
)

Before me, a Notary Public in and for said County and State, personally appeared Gilbert P. Steiner, and acknowledged the execution of the foregoing "Consent and Reaffirmation of Guarantors" as his voluntary act and deed.

WITNESS my hand and Notarial Seal this 22 day of November, 1994.

[Handwritten Signature]
Notary Public

NOT OFFICIAL!

Carol Ann Bowman
(Printed Signature)
This Document is the property of the Lake County Recorder!

My Commission Expires:

10-18-95

My County of Residence:

Porter

STOP



This instrument was prepared by Natalie J. Snicky, Attorney at Law, 2700 First Indiana Plaza, 135 North Pennsylvania Street, Indianapolis, Indiana 46204.

Exhibit A

Deferred Maintenance Schedule

**701 E. 83rd Street
8315 Virginia Street
Merrillville, Indiana**

1. **Repairing and restriping of asphalt pavement to be completed on or before September 1, 1994, for an estimated cost of \$7,000.00.**
2. **Repair and replacement of concrete entrances to be completed on or before September 1, 1994, for an estimated cost of \$5,100.00.**
3. **Completion of all readily achievable items as identified on the Schedule 1 attached hereto and incorporated herein using form ADA compliance issues, to be completed on or before April 1, 1995, for an estimated cost of \$5,900.00.**
4. **Infrared testing of all electrical switch gear and switch panels to be completed immediately for an estimated cost of \$1,500.00.**
5. **Interior reconfiguration of tenant space in accordance with the letter from Cole & Associates dated December 10, 1992, and attached hereto as Schedule 2.**
6. **Immediate implementation of a landscaping plan to be completed on or before June 1, 1994, for an estimated cost of \$5,000.00.**
7. **Immediate implementation of a maintenance program by a mechanical contractor to be maintained throughout the term of the loan.**

LINCOLN SQUARE I
701 E. 83RD. AVENUE
MERRILLVILLE, INDIANA

RECOMMENDED ALTERATIONS
FOR
ADA CODE COMPLIANCE

February 22, 1993

GOALS

- 1.) Parking
- 2.) Entry access to building
- 3.) Access to common areas
- 4.) Access to restrooms
- 5.) Alarms

- Completed 1. PARKING
(A) Add four additional accessible parking spaces and accessible route at entrance 5 & 6 on south face of building. Designate one space as van accessible and provide proper signage. (Sec. 4.1.2 (5)(a)&(b), & 4.6.3)
- Completed (B) Designate one space at entrance 9 on west face of building as van accessible and provide proper signage and accessible route. (Sec. 4.1.2 (5)(b), & 4.6.3)
- Not Readily Achievable 2. ENTRY ACCESS
(A) Alter existing built-up curb ramp at entrance 5 & 6 to conform with a 10:1 side slope. (Sec. 4.7)
- Not Readily Achievable (B) Alter existing curb ramp at entrance 9 to conform with a 10:1 flare side. (Sec. 4.7)
- Readily Achievable (C) Check all exterior entry doors for reasonable pulling force. (Sec. 4.13.11)
- Completed (D) Add signs at entrances 1-2, 3-4 & 12 designating entrance 5-6 on south face of building for handicapped parking and building accessibility. (Sec. 4.1.7c)
- Readily Achievable (E) Install lever type door handle on south interior entry door. (Sec. 4.13.9).
- Readily Achievable (F) Adjust thresholds to not exceed 1/2 inch. (Sec. 4.13.8)
- Readily Achievable 3. CORRIDORS
(A) Remove abandoned thermostat enclosure from main corridor. (Sec. 4.4.1 (a))
- Readily Achievable (B) Relocate or recess all fire extinguishers in corridors. (Sec. 4.4.1)

SCHEDULE 1

Not Readily Achievable (C) Remove existing drinking fountain in south corridor at men's restroom and replace with fountain for handicapped. (Sec. 4.15)

Readily Achievable 4. RESTROOMS

(A) Replace signage on restroom entry door with international symbol of accessibility with braille characters (designating mens & womens). (Sec. 4.1.2 (7) & 4.1.6 (3)(a)(iii))

Readily Achievable (B) Install door hardware with lever type handle and lockable lockset on both restrooms and adjust door closure force as required. (Sec. 4.13.9 & 4.13.10, and 4.13.11)

Readily Achievable (C) Remove existing door between the lavatory and toilet area in the men's restroom (Sec. 4.13.7)

Readily Achievable (D) Relocate and lower paper towel dispensers in both restrooms. (Sec. 4.2.5 & 4.2.6)

Not Readily Achievable (E) Alter existing lavatories for handicapped and replace waste receptor not to interfere with 60" diameter space in both restrooms. (Sec. 4.18)

Not Readily Achievable (F) Lower one urinal so that rim is 17" maximum above finished floor and lower flush control to 44" maximum above finished floor in men's restroom. (Sec. 4.18.2 & 4.18.4)

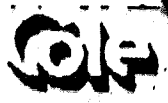
Readily Achievable (G) Raise toilet seat to 17" to 19" above floor in both restrooms in handicapped stalls. (Sec. 4.16.3)

Not Readily Achievable (H) Alter stalls for handicapped accessibility in both restrooms. (Sec. 4.17.3)

Not Readily Achievable (I) Replace grab bars on side walls to 42" long in both restrooms (Sec. 4.16.4 & 4.26)

Readily Achievable (J) Replace sanitary napkin dispenser in the women's restroom. (Sec. 4.4.1)

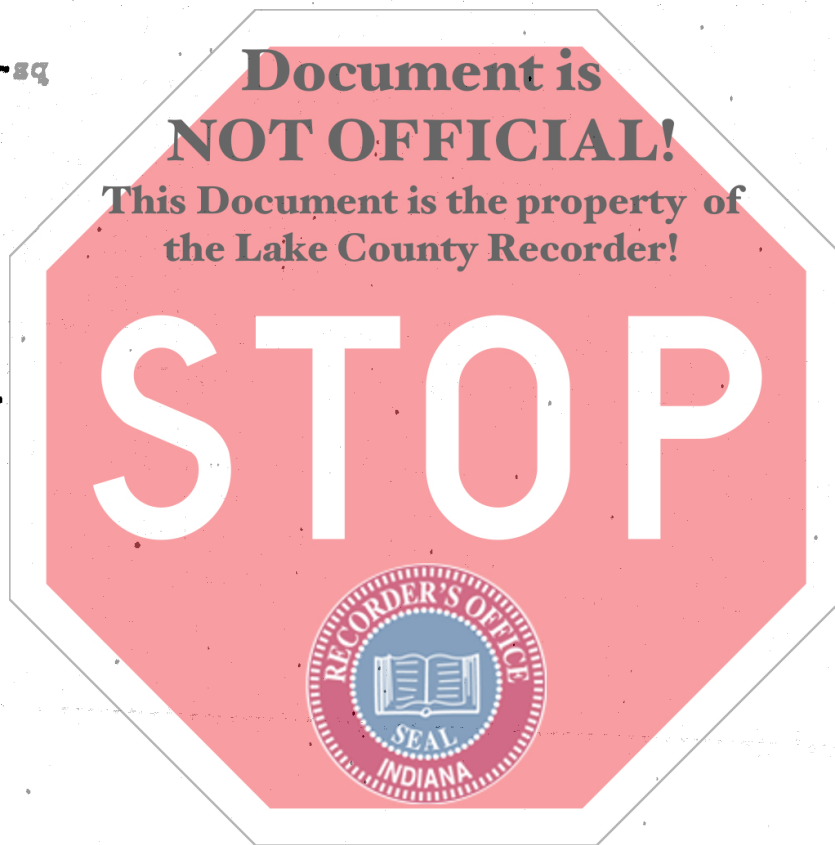




Not 43 5. ALARMS
 Readily (A) Add visual fire alarms in lavatory and toilet areas
 Achievable in all restrooms, and in corridors (for hearing
 impaired). (Sec. 4.28.3)

Not (B) Put fire alarm pull stations at the ends of all
 Readily corridors at proper height. (Sec. 4.2.5)
 Achievable

ada-sq





LINCOLN SQUARE II
 8315 VIRGINIA STREET
 NERRILLEVILLE, INDIANA

RECOMMENDED ALTERATIONS
 FOR
 ADA CODE COMPLIANCE

February 23, 1993

GOALS

- 1.) Parking
- 2.) Entry access to building
- 3.) Access to common areas
- 4.) Access to restrooms
- 5.) Alarms

Completed

1. PARKING

(A) Add four handicapped parking spaces and accessible route at entrance 9-10 on west face of building. Designate one space as van accessible and provide proper signage. (Sec. 4.1.2 (5)(a)&(b) & 4.6.3)

Completed

(B) Add two handicapped parking spaces and accessible route at entrance 11 on the west face of building and at entrance 1 on the north face of the building and designate one space as van accessible. Provide proper signage. (Sec. 4.1.2 (5)(b), & 4.6.3)

Completed

(C) Place signs at entrances 3-4 & 5-6 designating entrances 9, 10 & 11 on west face of building for handicapped parking and building accessible. (Sec. 4.1.7c)

Completed

(D) Remove existing handicapped signage from entrance 5-6.

Not
 Readily
 Achievable

2. ENTRY ACCESS

(A) Alter exist curb ramps at entrances (1), (9), (10) & (11) to conform with a 10:1 side slope. (Sec. 4.7)

Readily
 Achievable

(B) Check all exterior doors for reasonable pulling force. (Sec. 4.13.11)

Readily
 Achievable

(C) Adjust thresholds to not exceed 1/2 inch. (Sec. 4.13.8)

Readily
 Achievable

3. CORRIDORS

(A) Relocate or recess all fire extinguishers in corridors. (Sec. 4.4.1)



014

Not Readily Achievable (B) Remove existing drinking fountains located next to men's room and replace with fountain for handicapped. (Sec. 4.15)

Readily Achievable 4. RESTROOMS (A) Replace signage on restroom entry door with international symbol of accessibility with braille characters (designating mens & womens). (Sec. 4.1.2 (7) & 4.1.6 (3)(e)(iii))

Readily Achievable (B) Install door hardware with lever type handle and lockable lockset on both restrooms and adjust door closure force as required. (Sec. 4.13.9, 4.13.10, & 4.13.11)

Readily Achievable (C) Remove existing doors between lavatory and toilet area in all restrooms. (Sec. 4.13.7)

Readily Achievable (D) Relocate and lower paper towel dispensers in both restrooms. (Sec. 4.13.5 & 4.13.6)

Not Readily Achievable (E) Alter existing lavatories for handicapped in both restrooms (Sec. 4.19)

Not Readily Achievable (F) Lower one urinal so that the rim is at 17" maximum above the finished floor and lower flush control to 44" maximum above the finished floor in men's restroom. (Sec. 4.18.2 & 4.18.4)

Readily Achievable (G) Raise toilet seat to 17" to 19" above floor in the handicapped stalls in both restrooms. (Sec. 4.16.3)

Not Readily Achievable (H) Alter stalls for handicapped accessibility in both restrooms. (Sec. 4.17.3)

Readily Achievable (I) Replace sanitary napkin dispensers in women's restrooms. (Sec. 4.4.1)

5. ALARMS

Not Readily Achievable (A) Add visual fire alarms in lavatory and toilet areas in all restrooms, and in corridors (for hearing impaired). (Sec. 4.28.3)

Not Readily Achievable (B) Lower fire alarm pull stations to proper height. (Sec. 4.2.5)

ADA-LQ





December 10, 1992

Mr. Gerald Stienner
Willie and Stienner Associates
8315 Virginia Street, Suite F
Merrillville, IN 46410

RE: Lincoln Square
Redesign of Leasable Space

Dear Mr. Stienner:

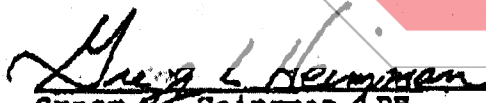
We are writing this document to you regarding commercial office space redesign. Once a space is in operation and largely leased, it is generally inefficient and uneconomical to redesign the leasable areas. Redesign at such a time would generally cause an inconvenience to the tenants and a loss of income to owners.

We usually recommend that improvements to leasable space layout and efficiency be made over time and be coordinated with normal tenant vacancies and movements. We have been pleased to assist you with such partial redesigns in the past and look forward to serving you in the future.

If we may be of further service to you, please call.

Very truly yours,

COLE ASSOCIATES INC.


Gregg L. Heinzman, PE
Engineering Manager

GLH/da

glh12-10

SCHEDULE 2

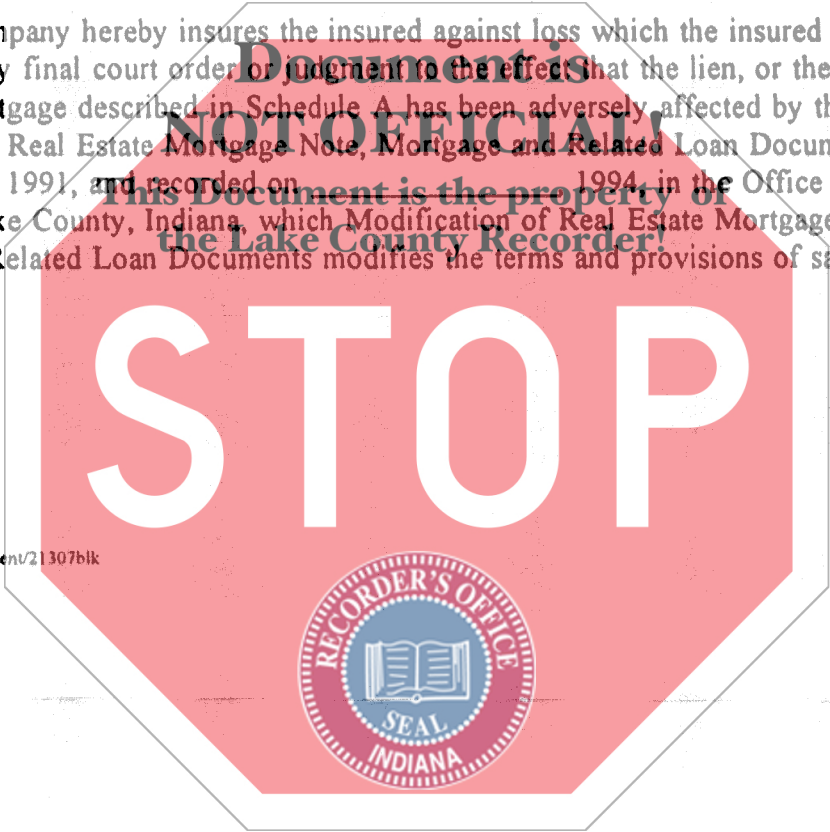
EXHIBIT B

ENDORSEMENT
ISSUED BY CHICAGO TITLE INSURANCE COMPANY

Attached to and forming a part of the policy of title insurance no. 338365

The above-referenced title policy is hereby amended as follows:

The Company hereby insures the insured against loss which the insured shall sustain by reason of any final court order or judgment to the effect that the lien, or the priority of the lien, of the mortgage described in Schedule A has been adversely affected by the Modification of Real Estate Mortgage Note, Mortgage and Related Loan Documents dated as of December 1, 1991, and recorded on _____, 1994, in the Office of the Recorder of Lake County, Indiana, which Modification of Real Estate Mortgage Note, Mortgage and Related Loan Documents modifies the terms and provisions of said mortgage.



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