

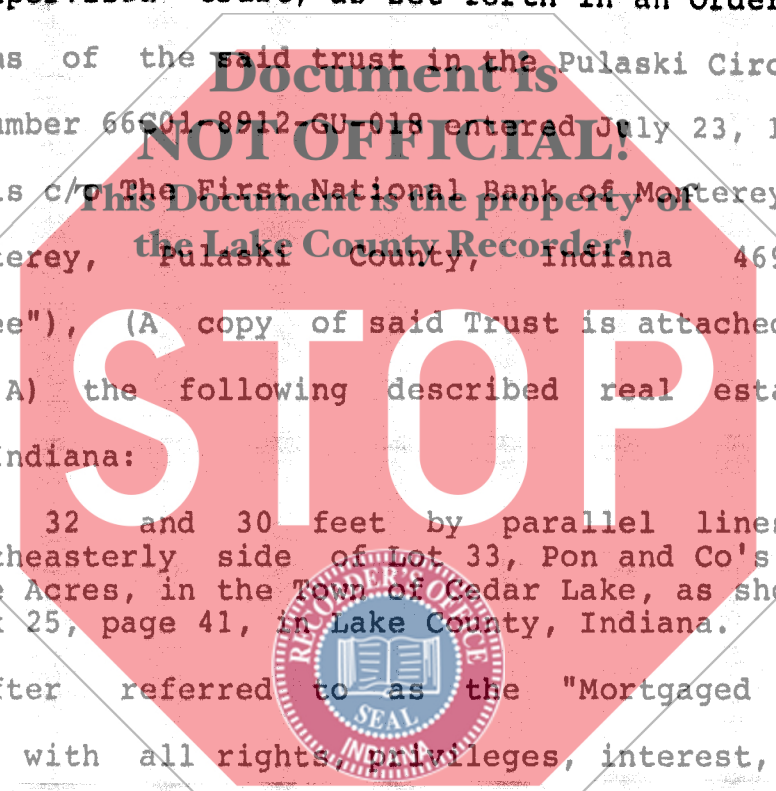
REAL ESTATE MORTGAGE

This INDENTURE WITNESSETH, that JOSEPH E. MILBURN and JEANETTE REINHOLT MILBURN, husband and wife, of Lake County, State of Indiana (the "Mortgagor"), MORTGAGE AND WARRANT to JEANETTE REINHOLT MILBURN and THE FIRST NATIONAL BANK OF MONTEREY, Co-Trustees under an Amended Irrevocable Minor's Trust for Rochelle Nicole Reinholt dated July 23, 1991, a Court supervised trust, as set forth in an Order approving the terms of the said trust in the Pulaski Circuit Court, Cause Number 66501-8912-GU-018 entered July 23, 1991, whose address is c/o The First National Bank of Monterey, P.O. Box 8, Monterey, Pulaski County, Indiana 46960, (the "Mortgagee"), (A copy of said Trust is attached hereto as Exhibit A) the following described real estate in Lake County, Indiana:

Lot 32 and 30 feet by parallel lines off the Northeasterly side of Lot 33, Pon and Co's. Schubert Lake Acres, in the Town of Cedar Lake, as shown in Plat Book 25, page 41, in Lake County, Indiana.

(hereinafter referred to as the "Mortgaged Premises") together with all rights, privileges, interest, easements, hereditaments, appurtenances, fixtures and improvements now or hereafter belonging, appertaining, attached to, or used in connection with, the Mortgaged Premises, and all the rents, issues, income and profits thereof.

This mortgage is given to secure the performance of the provisions hereof and the payment of a certain Note ("Note") dated the 17th day of September, 1991, in the principal amount of Twenty Thousand Dollars (\$20,000.00) with interest



MARGARET E. CLEVELAND
LAKE COUNTY RECORDER
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as therein provided and with a final maturity date as provided therein.

The Mortgagor (jointly and severally) covenants and agrees with the Mortgagee that:

1. This mortgage is a second mortgage on the Mortgaged Premises and is expressly subject to the lien of and mortgage in favor of APX Mortgage Services, whose address is 7520 Broadway, Suite 1-B, Merrillville, Indiana 46410, given this same date, and recorded simultaneously herewith but prior hereto.

2. Payment of Indebtedness. The Mortgagor shall pay when due, all indebtedness secured by this mortgage, on the dates and in the amounts, respectively, as provided in the Note.

3. No Liens. The Mortgagor shall not permit any liens of mechanics or materialmen to attach to and remain on the Mortgaged Premises or any part thereof for more than forty-five (45) days after receiving notice thereof from the Mortgagee.

4. Repair of Mortgaged Premises; Insurance. The Mortgagor shall keep the Mortgaged Premises in good repair and shall not commit waste thereon. The Mortgagor shall procure and maintain in effect at all times adequate insurance in insurance companies acceptable to the Mortgagee against loss, damage to, or destruction of the Mortgaged Premises because of fire, windstorm or other such hazards in such amounts as the Mortgagee may reasonably require from time to time and all such insurance policies shall contain proper clauses making all proceeds of such policies payable to the Mortgagee and the mortgagor as their respective interests may appear.

5. Taxes and Assessments. The Mortgagor shall pay all taxes or assessments levied or assessed against the Mortgaged Premises, or any part thereof, as and when the same become due and before penalties accrue.

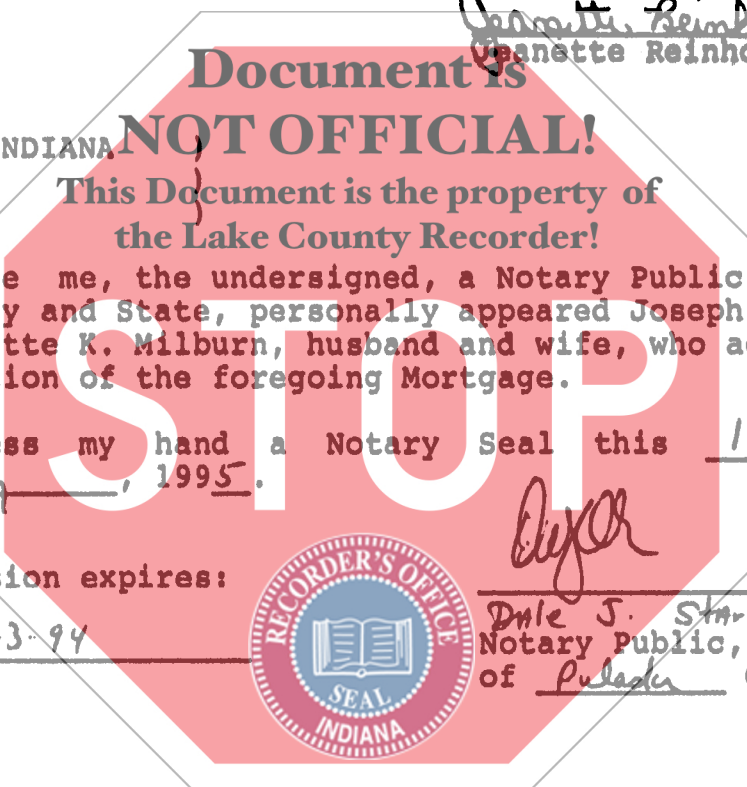
6. General Agreement of Parties. All rights and obligations hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of the parties to this mortgage. When applicable, use of the singular form of any word also shall mean or apply to the plural and masculine form also shall mean and apply to the feminine or the neuter. The titles of the several paragraphs of this mortgage are for convenience only and do not define, limit or construe the contents of such paragraph.

7. Transfer. Since the integrity of the Mortgagor is a vital element in the making of the loan hereby secured, the sale or conveyance by the Mortgagor of the Mortgaged Premises shall at the discretion of the Mortgagee and upon notice and demand immediately accelerate and mature the debt hereby secured.

IN WITNESS WHEREOF The mortgagor has executed this mortgage, this 17 day of January, 1995.

Joseph E. Milburn
Joseph E. Milburn

Jeanette Reinholdt Milburn
Jeanette Reinholdt Milburn



STATE OF INDIANA)
COUNTY OF)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared Joseph E. Milburn and Jeanette K. Milburn, husband and wife, who acknowledged the execution of the foregoing Mortgage.

Witness my hand a Notary Seal this 17 day of January, 1995.

My Commission expires:
2-23-94

Dale J. Starkes
Notary Public, Resident
of Pulaski County, IN

This instrument prepared by: Dale J. Starkes,
Attorney at Law
P.O. Box 100
Winamac, Indiana 46996

Return to: The First National Bank of Monterey, P.O. Box 8,
Monterey, Indiana 46960