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CTOC, Chgo  
Eac# 1706439  
Jeff Regevin

REAL ESTATE MORTGAGE

THIS INDENTURE WITNESSETH, That LSC Indiana Corp., a Delaware corporation, having an address at 333 W. Wacker, Chicago, IL 60606 (the "Mortgagor") MORTGAGES AND WARRANTS to Ede Warner, an individual (the "Mortgagee") of doke County, State of IN, the following described real estate in Lake County, Indiana:

Lots 1 to 11, both inclusive, and Lots 24 and 34, both inclusive, block 8, Forest Park Addition, in the City of Gary, as shown in Plat Book 20, Page 46, in Lake County, Indiana.



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MARGARETE CLEVELAND  
RECORDER

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

Tax ID Number: 43-24-2  
Address of Real Estate: 4209 Grant Street, Gary, Indiana

(hereinafter referred to as the "Mortgaged Premises") together with all rights, privileges, interests, 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 obligations and payments under that certain Non-Competition Agreement dated March 30, 1996 by and between Mortgagor and Mortgagee (the "Agreement"). This mortgage secures the principal amount of Six Hundred Fifty Thousand and No/100 Dollars (\$650,000.00) due under the Agreement, to be paid as provided in the Agreement and with a final payment date of June 26, 2006. All obligations and payments of Mortgagor to Mortgagee shall be carried out in accordance with the provisions of the Agreement.

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The Mortgagor covenants and agrees with the Mortgagee that:

1. **Payment of Indebtedness.** The Mortgagor shall pay when due all obligations secured by this mortgage, on the dates and in the amounts, respectively, as provided in the Agreement or in this mortgage.
2. **No Liens.** The Mortgagor shall not permit any lien of mechanics or materialmen to attach to and remain on the Mortgaged Premises or any part thereof for more than 45 days after receiving notice thereof from Mortgagee.
3. **Repair or 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 from insurance companies acceptable to the Mortgagee against loss, damage to, or destruction of the Mortgaged Premises as a result 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.
4. **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.
5. **Advancements to Protect Security.** The Mortgagee may, at his option, advance and pay all sums necessary to protect and preserve the security intended to be given by this mortgage. All sums so advanced and paid by the Mortgagee shall become additional obligations under the Agreement. Such sums may include, but are not limited to, insurance premiums, taxes, assessments and liens which may be or become prior and senior to this mortgage as a lien on the Mortgaged Premises, or any part thereof.
6. **Default by Mortgagor; Remedies of Mortgagee.** Upon default by the Mortgagor in any payment provided for herein or in the Agreement which is not cured as provided in the Agreement, or upon a default by the Mortgagor in the performance of any covenant or agreement of the Mortgagor hereunder, or if the Mortgagor shall abandon the Mortgaged Premises, or if a trustee or receiver shall be appointed for the Mortgagor or for any part of the Mortgaged Premises, which trusteeship or receivership is not dismissed or stayed within ninety (90) days, except if said trustee or receiver is appointed in any bankruptcy action, then and in any such event, the obligations secured hereby shall become immediately due and payable at the option of the Mortgagee, without notice, and this mortgage may be foreclosed accordingly.
7. **Extensions; Reductions; Renewals; Continued Liability of Mortgagor.** The Mortgagee at his option, may extend the time for Mortgagor's obligations under the Agreement, or reduce the payments thereon, or accept a renewal note or notes therefor, without consent of any junior lien holder, and without the consent of the Mortgagor if the Mortgagor has then parted with title to the Mortgaged Premises. No such extension, reduction or renewal shall affect the priority of this mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of the Mortgagor to the Mortgagee.

8. **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 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 paragraphs.

9. **Defaults.** If one or more of the following events (herein called "Defaults") shall occur:

- (a) If Mortgagor shall, after the expiration of any applicable grace periods, fail to make payments of amounts owed under the Agreement when due;
- (b) If any default shall, after the expiration of any applicable grace periods, exist under any other document or instrument regulating, evidencing, securing or guarantying any of the Indebtedness; and
- (c) If default shall continue for fifteen (15) days after notice thereof by Mortgagee to Mortgagor in the punctual performance or observance of any other agreement or condition herein contained;

then Mortgagee may, at its option and without affecting the lien hereby created or the priority of said lien or any other right of Mortgagee hereunder, to declare, without further notice, all obligations under the Agreement to be immediately due, and Mortgagee may immediately proceed to foreclose this Mortgage and to exercise any right provided by this Mortgage, the Agreement or otherwise.

10. **Foreclosure.** When the obligations under the Agreement shall become due, Mortgagee shall have the right to foreclose the lien hereof and to exercise any other remedies of Mortgagee provided in the Agreement, or which Mortgagee may have at law, at equity or otherwise.

IN WITNESS WHEREOF, the Mortgagor has executed this mortgage, this 26 day of March, 1996.



LSC INDIANA CORP., a Delaware corporation

By: [Signature]

Its: Pres

STATE OF ILLINOIS

SS:

COUNTY OF Du PAGE

Before me, a Notary public in and for said County and State, personally appeared \_\_\_\_\_

Kelvin Pennington as President of LSC

Indiana Corp

who acknowledged this execution of the foregoing mortgage.

Witness my hand and Notarial Seal this 20th day of March, 1996.

"OFFICIAL SEAL"  
Laura J. Geis  
Notary Public, State of Illinois  
My Commission Expires 7/29/98

Signature Laura J. Geis  
Printed Laura J. Geis  
NOTARY PUBLIC

My commission expires

7-29-98

Residing in

Du Page

County, <sup>ILLINOIS</sup> Indiana

This instrument was prepared by Lisa I. Sandlow, Altheimer & Gray, 10 S. Wacker Drive, Suite 3800, Chicago, Illinois, attorney at law.

Return to

Ede Warner, 2295 Washington

Jury, IN 46407

