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MORTGAGE EXTENSION AGREEMENT

THIS AGREEMENT, made and entered into by and between MERCANTILE NATIONAL BANK OF INDIANA, with offices as 5243 Hohman Avenue, Hammond, Indiana, hereinafter referred to as "Bank" and DELOCK'S #2, INC., an Indiana corporation, of Hammond, Lake County, Indiana, hereinafter referred to as "Borrower".

WITNESSETH, That:

WHEREAS, the Bank is the owner and holder of an Amended and Restated Real Estate Mortgage Note of the Borrower for the original principal sum of ONE HUNDRED EIGHTY THOUSAND and NO/100 Dollars (\$180,000.00) dated March 30, 1989 and amended April 10, 1998, hereinafter referred to as the "Note", together with that certain Real Estate Mortgage, hereinafter referred to as the "Mortgage", securing the payment of the Note, as made and executed by Borrower to the Bank concurrently with the execution of the Note, and recorded on April 7, 1989 as Document No. 030825 and rerecorded on April 17, 1989 as Document No. 031970, in the Office of the Recorder of Lake County, Indiana, which was subsequently modified and extended by a Note and Mortgage Extension Agreement dated April 1, 1994 and recorded May 16, 1994 as Document No. 94036164, describing and covering the real estate located in Lake County, Indiana, to-wit:

PARCEL I: Lots 3, 4, 5 and the South 45 feet of Lot 2, in the Redivision of Lot 1, in Woodland Addition to Hammond, as per plat thereof, recorded in Plat Book 22, Page 64, in the Office of the Recorder of Lake County, Indiana.

PARCEL II: The North 45 feet of Lot 2 in Woodland Addition to Hammond, as per plat thereof, recorded in Plat Book 17, page 9, in the Office of the Recorder of Lake County, Indiana,

WHEREAS, Borrower desires for the Bank to make an advance of principal and extend the maturity date of the Note and Mortgage to April 1, 2004, at which time the entire outstanding balance plus any accrued interest and charges will be due and payable in full; and

WHEREAS, Borrower desires for the Bank to adjust the interest rate as described in Paragraph Two (2) below and to recalculate the monthly payment; and

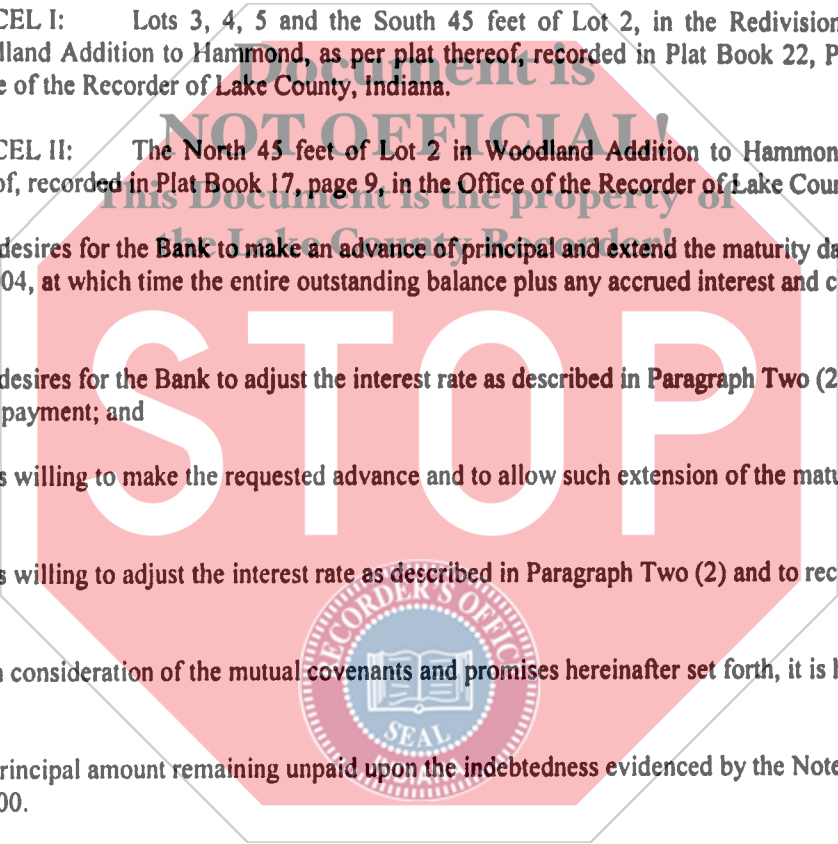
WHEREAS, the Bank is willing to make the requested advance and to allow such extension of the maturity date of the Note and Mortgage; and

WHEREAS, the Bank is willing to adjust the interest rate as described in Paragraph Two (2) and to recalculate the monthly payment thereof;

NOW THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, it is hereby agreed as follows:

1. The principal amount remaining unpaid upon the indebtedness evidenced by the Note as of the date hereof is the sum of \$180,000.00.
2. Effective April 10, 1998, and remaining in effect through April 1, 2001, the interest rate will be 8.875%. This interest rate will change as provided in the Amended and Restated Real Estate Mortgage Note. The new payments are more fully set forth in the Amended and Restated Real Estate Mortgage Note.
3. The maturity date of the Note and Mortgage will be April 1, 2006, at which time the entire outstanding balance plus any accrued interest and charges will be due and payable in full (This is a BALLOON PAYMENT.);
4. The Borrower hereby reaffirms and agrees to abide by all of the covenants contained in the Note, Mortgage, and subsequent modifications;
5. The Borrower hereby covenants that it is currently the owners of the property described in the Mortgage and that the Mortgage is a valid and existing first lien thereon; that there are no offsets, counterclaims or defenses to the balance remaining unpaid, or to any part thereof, either at law or in equity; and that the Mortgage shall continue as a valid first lien upon the real estate herein and therein described, as security for the repayment of said remaining unpaid principal balance with interest, at the time and in the manner provided for in the Note.

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6. The Borrower further agrees that all terms conditions, and covenants of the Note, Mortgage, subsequent modifications, and all agreements made a part thereof, shall remain unaltered and in full force and effect except as herein expressly modified.

7. The Bank shall hereafter accept installment payments from Borrower and apply them to the unpaid principal balance due as set out herein pursuant to the terms of this Agreement and the Note, Mortgage, and subsequent modifications described herein and therein.

IN WITNESS WHEREOF, the Bank and the Borrower have executed this Agreement this 10th day of April, 1998.

"Borrower":

DELOCK'S #2, INC.
an Indiana corporation

By: *David Spurlock*
DAVID SPURLOCK, President

"Bank"

MERCANTILE NATIONAL BANK OF INDIANA
a national banking association



RICHARD J. PASKIS, Asst. Vice President

ATTEST:

Amy Kezy
Name: **AMY KEZY**
Title: **ASSISTANT CASHIER**

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that on this day personally appeared before me, David Spurlock, personally known to me to be the same person whose name is subscribed to the foregoing Instrument and personally known to me to be the President of **DELOCK'S #2, INC.**, an Indiana corporation, and acknowledged that he signed, sealed and delivered the said Instrument as his free and voluntary act, for the uses and purposes therein set forth, as President of said corporation, that the seal affixed to the foregoing Instrument is the corporate seal of said corporation and that said Instrument was signed, sealed and delivered in the name and behalf of said corporation by the authority of its stockholders and Board of Directors as the free and voluntary act of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal this 10th day of April, 1998.

Signed: *Sara Superits*
SARA SUPERITS (Notary Public)

My Commission Expires: 9-30-2000

My County of Residence: LAKE



