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MORRIS W. CARTER
RECORDER

REAL ESTATE MORTGAGE

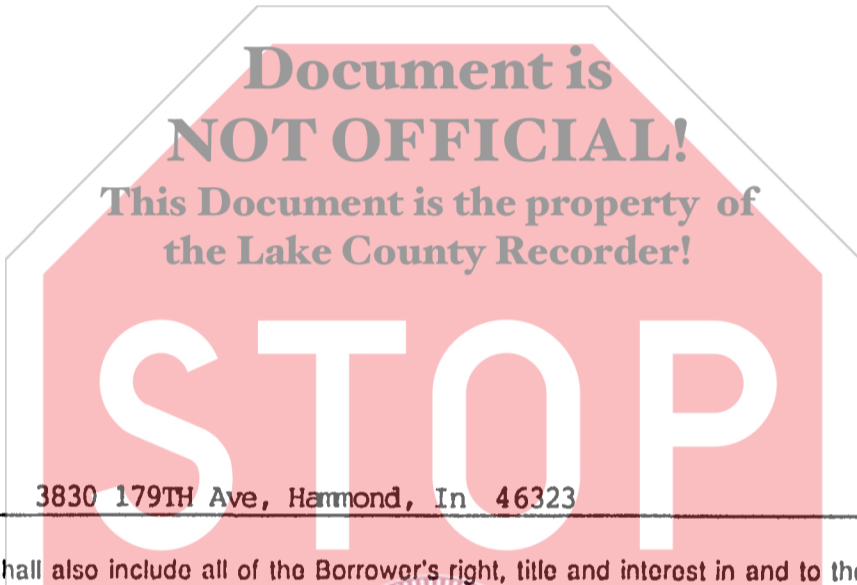
THIS MORTGAGE is made on MAY 4, 1998, between
MB Inn, Inc.

(the "Borrower") whose address is 17100 S. Halsted ST, Harvey, IL 60426

and UNITED FIDELITY BANK, fsb, a stock savings bank organized and existing under the laws of the United States, (the "Mortgagee"), whose address is 18 N. W. Fourth Street, Evansville, Indiana 47708.

Borrower hereby MORTGAGES AND WARRANTS to the Mortgagee certain real property together with all structures and improvements thereon and appurtenances thereto located in LAKE county, State of Indiana and described as follows:

SEE ATTACHED EXHIBIT SCHEDULE C



(the "Premises") commonly known as 3830 179TH Ave, Hammond, In 46323

The Premises shall also include all of the Borrower's right, title and interest in and to the following:

- (1) All easements, rights-of-way, licenses, privileges and hereditaments; (2) Land lying in the bed of any road or the like, opened, proposed or vacated, or any strip or gore, adjoining the Premises; (3) All machinery, apparatus, equipment, fittings, fixtures, and articles or personal property of every kind and nature whatsoever, located now or in the future in or on the Premises and used or useable in connection with any present or future operation of the Premises (all of which is called "Equipment"). It is agreed that all Equipment is part of the Premises and as a fixture of the Premises, shall be deemed to be a part of the real estate and Premises mortgaged hereby; (4) All mineral, oil, gas and water rights, royalties, water and water stock, if any; (5) All awards or payments including interest made as a result of the exercise of the right of eminent domain, the alteration of the grade of any street, any loss of or damage to any building or other improvement on the Premises, any other injury to or decrease in the value of the Premises, any refund due on account of the payment of real estate taxes, assessments or other charges levied against or imposed upon the Premises, and the reasonable attorneys' fees, costs and disbursements incurred by the Mortgagee in connection with the collection of any such award or payment; (6) All of the rents, issues, income and profits of the Premises under present or future leases, or otherwise; and (7) Insurance proceeds as hereinafter set forth.

This Mortgage is given to secure payment of the indebtedness evidenced by a promissory note (the "Note") dated MAY 4, 1998, executed by Borrower, in the principal amount of \$1,300,000.00, payable to Mortgagee, and maturing on NOVEMBER 4, 1998. ~~This Mortgage secures payment of both the principal and the interest of the Note, and any obligations, stipulations, or charges set out in said Note, and any and all renewals, extensions, modifications and substitutions thereof, and secures any additional indebtedness as may be owed by Borrower to the Mortgagee, whether direct, indirect, existing, future, contingent or otherwise, which additional indebtedness together with the indebtedness due under the Note shall not exceed the total sum \$1,300,000.00.~~ Borrower may borrow sums from Mortgagee, repay said sums in whole or in part and re-borrow additional sums from Mortgagee under credit arrangements other than the Notes.

21.00
cm
Ck # 4826814777

Borrower does hereby represent and warrant that Borrower is the owner of the Premises in fee simple and has the right to mortgage the Premises, that the Premises is unencumbered, except for the lien of real estate taxes not yet due and owing, and that Borrower will warrant and defend generally the title to the Premises against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring Mortgagee's interest in the Premises.

Borrower and Mortgagee covenant and agree as follows:

1. **PAYMENT OF PRINCIPAL AND INTEREST.** Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, and late charges or other charges as provided in the Note and any other evidence of indebtedness secured by this Mortgage.

2. **FUNDS FOR TAXES AND INSURANCE.** At Mortgagee's option, Borrower may be required to pay to Mortgagee on the day monthly installments of principal and/or interest are payable under the Note, until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of the yearly real estate taxes and assessments which may attain priority over this Mortgage, plus one-twelfth of the yearly premium for hazard insurance, plus one-twelfth of yearly premium for mortgage insurance, if any, all as reasonably estimated initially and from time to time by Mortgagee to be due on the basis of assessments and bills and reasonable estimates thereof.

The Funds shall be held by Mortgagee and Mortgagee shall apply the Funds to pay said real estate taxes, assessments, hazard and mortgage insurance premiums. Mortgagee may not charge for so holding and applying the Funds, analyzing said account, or verifying and compiling said assessments and bills. Mortgagee shall give to Borrower, without charge, an annual accounting of the Funds showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Mortgage, and in the event of default may be applied to the unpaid indebtedness due the Mortgagee.

If the amount of the Funds held by Mortgagee, together with the future monthly installments of Funds payable prior to the due dates of taxes, assessments and insurance premiums shall exceed the amount required to pay said taxes, assessments and insurance premiums as they fall due, such excess shall be, at Borrower's option, either promptly repaid to Borrower or credited to Borrower on monthly installments of Funds. If the amount of the Funds held by Mortgagee shall not be sufficient to pay taxes, assessments and insurance premiums as they fall due, Borrower shall pay to Mortgagee any amount necessary to make up the deficiency within thirty (30) days from the date notice is mailed by Mortgagee to Borrower requesting payment thereof.

Upon payment in full of all sums secured by this Mortgage, Mortgagee shall promptly refund to Borrower any Funds held by Mortgagee. If under Paragraph 14 hereof the Premises are sold or the Premises are otherwise acquired by Mortgagee, Mortgagee shall apply, no later than immediately prior to the sale of the Premises or its acquisition by Mortgagee, any Funds held by Mortgagee at the time of application as a credit against the sums secured by this Mortgage.

3. **APPLICATION OF PAYMENTS.** All payments received by Lender under the Note and Paragraphs 1 and 2 hereof shall be applied by Mortgagee first in payment of amounts payable to Lender by Borrower under Paragraph 2 hereof, then to interest payable on the Note, then to the principal of the Note.

4. **CHARGES; LIENS.** Borrower shall pay all taxes assessments and other charges, fines and impositions attributable to the Premises which may attain a priority over this Mortgage, in the manner provided under Paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Mortgagee all notices of amounts due under this Paragraph, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Mortgagee receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that Borrower shall not be required to discharge any such lien so long as Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to Borrower, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Premises or any part thereof.

5. **HAZARD INSURANCE.** Borrower shall keep the improvements now existing or hereafter erected on the Premises insured against loss by fire, hazards included within the term "extended coverage", and earthquake and such other hazards Mortgagee may require and in such amount and for such periods as Mortgagee may require; provided, that Mortgagee shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Mortgagee; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid in the manner provided under Paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the insurance carrier and evidence of payment given to Mortgagee.

All insurance policies and renewals thereof shall name the Mortgagee as an insured and shall be in form acceptable to Mortgagee and shall include a standard mortgage clause in favor of and in form acceptable to Mortgagee. Mortgagee shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish to Mortgagee all renewal notices and all receipts for paid premiums. In the event of losses, Borrower shall give prompt notice to the insurance carrier and to Mortgagee. Mortgagee may make proof of loss if not made promptly by Borrower.

Unless Mortgagee and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Premises damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the

excess, if any, paid to Borrower. If the Premises are abandoned by Borrower, or if Borrower fails to respond to Mortgagee within thirty (30) days from the date notice is mailed by Mortgagee to Borrower that the insurance carrier's offer to settle a claim for insurance benefits then Mortgagee is authorized to collect and apply the insurance proceeds at Mortgagee's option either to restoration or repair of the Premises or to all amounts due to Mortgagee that are secured by this Mortgage.

Unless Mortgagee and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any monthly payments referred to in Paragraphs 1 and 2 hereof. If under Paragraph 14 hereof, the Premises are acquired by Mortgagee, all right, title and interest of Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Premises prior to the sale or acquisition shall pass to the Mortgagee to the extent that any amounts are due to Mortgagee that were secured by this Mortgage immediately prior to such sale or acquisition.

6. **PRESERVATION AND MAINTENANCE OF PROPERTY.** Borrower shall keep the Premises in good repair and shall not commit waste or permit impairment or deterioration of the Premises, ordinary wear and tear and destruction as the result of the occurrence of a casualty excepted.

7. **PROTECTION OF MORTGAGEE'S SECURITY.** Should the proceeds of any loan made by the Mortgagee to the Borrower, the repayment of which is hereby secured, or should any amount paid out or advanced by the Mortgagee be used directly or indirectly to pay off, discharge or satisfy, in whole or in part, any prior lien or encumbrance upon the Premises, or any part thereof, then the Mortgagee shall be subrogated to any additional security held by the holder of such lien or encumbrance. If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Mortgagee's interest in the Premises, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt, then Mortgagee at Mortgagee's option and upon notice to Borrower, may make such appearances, disburse such sums and take such action as is necessary to protect Mortgagee's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Premises to make repairs. In any suit or proceeding to foreclose this Mortgage, or to enforce or protect the Mortgagee's rights hereunder, Mortgagee in addition to any other remedy, and regardless of the value of the mortgaged property or solvency or insolvency of the Borrower, shall be entitled to the appointment of a receiver to take possession of and protect the mortgaged Premises and collect the rents and income, and apply the same as provided by law. In case of a foreclosure of this Mortgage, any abstracts of title shall be the absolute property of the Mortgagee. Borrower shall pay the amount of all insurance premiums in the manner provided under Paragraph 2 hereof.

Any amounts disbursed by Mortgagee pursuant to this Paragraph 7, shall be paid by Borrower together with interest at the rate of two percent (2%) in excess of the interest then being paid on the Note and said amounts plus interest shall become additional indebtedness of Borrower secured by this Mortgage, unless Borrower and Mortgagee agree to other terms of payment. All such amounts shall be payable upon notice from Mortgagee to Borrower requesting payment thereof. Nothing contained in this Paragraph 7 shall require Mortgagee to incur any expense or take any action hereinunder and failure to take any action shall not be a waiver of any rights in the event of any other or subsequent default or breach, and no delay on the part of Mortgagee in exercising any rights shall preclude Mortgagee from the exercises thereof at any time during the continuance of any such default.

8. **INSPECTION.** Mortgagee may make or cause to be made reasonable entries upon and inspections of the Premises, provided that Mortgagee shall give to Borrower reasonable notice prior to any such inspection specifying reasonable cause therefor related to Mortgagee's interest in the Premises.

9. **CONDEMNATION.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Premises, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned to and shall be paid to Mortgagee.

In the event of a total taking of the Premises, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Borrower. In the event of a partial taking of the Premises, unless Borrower and Mortgagee otherwise agree in writing, to the extent economically feasible, the proceeds shall be used to restore the Premises to as near its original condition and value as is possible. If it is not feasible or if there are excess proceeds after the restoration, then there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Premises immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

10. **ENVIRONMENTAL MATTERS.** The Borrower represents and warrants to the Mortgagee that (a) Borrower has not used Hazardous Materials (as defined below), on, from or affecting the Premises in any manner which violates any Government Regulation (as defined below) governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials and, to the best of the Borrower's knowledge, no prior owner of the Premises or any existing or prior tenant, or occupant has used Hazardous Materials on, from or affecting the Premises in any manner which violates any Governmental Regulation governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials; (b) Borrower has never received any notice of any violations (and is not aware of any existing violations) of any Governmental Regulation governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials at the Premises and, to the best of the Borrower's knowledge, there have been no actions commenced or threatened by any party for noncompliance which affects the Premises; (c) Borrower shall keep or cause the Premises to be kept free of Hazardous Materials except to the extent that such Hazardous Materials are stored and/or used in compliance with any Governmental Regulation; and, without limiting the foregoing, Borrower shall not cause or permit the Premises to be used to generate, manufacture, refine, transport, treat, store, handle, dispose of, transfer, produce, or process Hazardous Materials, except in compliance with any Governmental regulations, nor shall Borrower cause or permit, as result of any intentional or unintentional act or omission on the part of Borrower or any tenant, subtenant or occupant, a release, spill, leak or emission of Hazardous Materials onto the Premises or onto any other contiguous property; (d) Borrower shall conduct and complete all investigations, including a comprehensive environmental audit, studies, sampling, and testing, and all remedial, removal

and other actions necessary to clean up and remove all Hazardous Materials on, under, from or affecting the Premises as required by any Governmental Regulations, to the satisfaction of the Mortgagee, and in accordance with the orders and directives of all federal, state and local governmental authorities. If Borrower fails to conduct an environmental audit, remediate or clean-up the Premises required by such governmental authorities or the Mortgagee, then the Mortgagee, although not under obligation to do so, may at its option and at the expense of the Borrower, conduct such audit and remediation. Any environmental audit or remediation conducted by the Mortgagee shall be conducted solely for its own benefit and to protect its own interests, and shall not be relied on by the Borrower or any third party for any purpose whatsoever, including but not limited to any obligation on their part to conduct their own independent environmental audits or remediations, the Mortgagee does not assume any control over the environmental affairs or operations of the Borrower, nor does it assume any obligation or liability to the Borrower or any third party. Any act of audit or remediation by the Mortgagee shall not be construed as an ownership interest of the Mortgagee in and to the Premises.

Subject to the limitations set forth below, the Borrower shall defend, indemnify and hold harmless the Mortgagee, its employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses, including, without limitation, attorney's and consultant's fees, investigation and laboratory fees, court costs and litigation expenses, known or unknown, contingent or otherwise, arising out of or in any way related to (a) the presence, disposal, release or threatened release of any Hazardous Materials on, over, under, from or affecting the Premises or the soil, water, vegetation, buildings, personal property, persons or animals; (b) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials on the Premises; (c) any lawsuit brought or threatened, settlement reached or government order relating to such Hazardous materials with respect to the Premises; and/or (d) any violation of laws, orders, regulations, requirements or demands of governmental authorities, or any policies or requirements of the Mortgagee, which are based upon or in way related to such Hazardous Materials used on the Premises. The indemnity obligations under this paragraph are specifically limited as follows:

(i) Borrower shall have no indemnity obligation with respect to Hazardous Materials that are first introduced to the Premises or any part of the Premises subsequent to the date that the Borrower's interest in and possession of the Premises or any part of the Premises shall have fully terminated by foreclosure of this Mortgage or acceptance of a deed in lieu of foreclosure;

(ii) Borrower shall have no indemnity obligation with respect to any Hazardous Materials introduced to the Premises or any part of the Premises by the Mortgagee, its successors or assigns.

Borrower agrees that in the event that this Mortgage is foreclosed or the Borrower tenders a deed in lieu of foreclosure, the Borrower shall deliver the Premises to the Mortgagee free of any and all Hazardous Material which are then required to be removed (whether over a period of time or immediately) pursuant to applicable federal, state and local laws, ordinances, rules or regulations affecting the Premises.

The provisions of this Paragraph 10 shall survive (a) repayment of all sums due for any indebtedness secured by this Mortgage; (b) the satisfaction of all of the other obligations of the Borrower in this Mortgage and under any loan document; (c) the release of this Mortgage; and, (d) the foreclosure of this Mortgage or acceptance of a deed in lieu of foreclosure.

For purposes of this Mortgage, "Hazardous Materials" means any materials or substance: (i) which is or becomes defined as a "hazardous substance", "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response Compensation Liability Act (42 USC Section 9001 et seq) and amendments thereto and regulations promulgated thereunder; (ii) containing gasoline, oil, diesel fuel or other petroleum products; (iii) which is or becomes defined as a "hazardous waste" pursuant to the Federal Resource Conservation and Development Act (42 USC Section 6901 et seq) and amendments thereto and regulations promulgated thereunder; (iv) containing polychlorinated biphenyls (PCBs); (v) containing asbestos; (vi) which is radioactive; (vii) the presence of which requires investigation or remediation under any Governmental Regulation; or (viii) which is or becomes defined as a "hazardous waste", "hazardous substance", "pollutant", "contaminant" or biologically Hazardous Materials under any Governmental Regulation.

"Governmental Regulation(s)" means any law, regulation, rule, policy, ordinance or similar requirement of the United States, any state, or any county, city or other agency or subdivision of the United States or any state.

11. TRANSFER OF THE PROPERTY; ASSUMPTION. Neither the Premises or any equitable interest in the Premises shall be sold or transferred without the prior written consent of Mortgagee, and no contract or agreement shall be entered into by the Borrower whereby anyone may acquire the right to a lien, mortgage or other encumbrance upon the Premises without the prior written consent of the Mortgagee first had and obtained.

If all or any part of the Premises or an interest therein is sold or transferred by Borrower as hereinabove stated, without Mortgagee's prior written consent, Mortgagee may, at Mortgagee's option, declare all the sums secured by this Mortgage to be immediately due and payable. Mortgagee shall have waived such option to accelerate if, prior to the sale or transfer, Mortgagee and the person or entity to whom the Premises are to be sold or transferred reach agreement in writing that the credit of such person or entity is satisfactory to Mortgagee and that the interest payable on the sums secured by this Mortgage shall be at such rate as Mortgagee shall request. If Mortgagee has waived the option to accelerate provided in this Paragraph 11, and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Mortgagee, Mortgagee shall release Borrower from all obligations under this Mortgage and the Note and any other indebtedness secured by this Mortgage.

If Mortgagee exercises such option to accelerate, Mortgagee shall mail to Borrower notice of acceleration in the manner set out in Paragraph 15 hereof. Such notice shall provide a period of not less than thirty (30) days from the date the notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration of such period, Mortgagee may, without further notice or demand on Borrower, invoke any

remedies permitted by Paragraph 14 hereof.

12. ASSIGNMENT OF RENTALS AND COLLECTIONS PURSUANT TO ASSIGNMENT.

As additional and further security for the payment of the obligations of Borrower under the Note and this Mortgage, Borrower has agreed to an assignment of all rents that may become due under any and all leases of a part or all of the Premises. In furtherance thereof, Borrower shall, upon request, provide to Mortgagee a copy of each signed Lease Agreement entered into by Borrower with its tenants. As of January 1, of each calendar year, Borrower shall provide to Mortgagee a list of tenants, the term of each lease and the amount of monthly rent. In the event of default in the payment of any sums due either under the Note or in the event of default of any other term or condition of this Mortgage, Borrower hereby assigns to Mortgagee all rentals due under each and every lease it will have entered into, and pursuant to such assignment, Mortgagee shall have the right to give written notice to each tenant of the Borrower to the effect that all future payments of rent due under the Lease Agreement with Borrower shall be made directly to Mortgagee. It shall not be necessary for Mortgagee to reduce the Premises to its possession nor that the Property be placed in the name of Mortgagee in order for Mortgagee to avail itself of this remedy in the event of default. Borrower further assigns its right to collect and receive all of the rentals, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any of the amounts due from Borrower to Mortgagee from time to time. Such payments shall be applied by Mortgagee in such order as the Mortgagee may determine in its good-faith discretion. Any rentals received by the Mortgagee in excess of the amount necessary to meet all obligations of the Borrower secured hereunder, including any acceleration of the principal balance due, together with an amount estimated by Mortgagee to be necessary to meet obligations with respect to the Premises for the next ensuing period of six (6) months shall be paid over by the Mortgagee to the Borrower monthly after the expiration of each such six (6) months following the date that Mortgagee begins to receive rents, issues and profits from the tenants of the Borrower. Borrower further authorizes the Mortgagee to direct each tenant to make payments directly to the Mortgagee and each tenant shall be deemed as a result of making any payments to Mortgagee. The collection and receiving of rents, issues and profits, whether or not Mortgagee enters upon and takes possession of the Premises, and the application thereof as aforesaid shall not cure nor waive any default nor waive, modify or affect any notice of default under this Mortgage nor invalidate any act done pursuant to such notice. In the event Mortgagee shall pursue any of its remedies provided for in this Paragraph 12 the extent of liability shall only be that of accounting to Borrower for rents received and application of the amounts received and Mortgagee shall not be responsible for performing of any other duties or obligations under any lease agreement by and between Borrower and its tenants. The remedy provided to Mortgagee shall be in addition to all other remedies available to Mortgagee either in law, equity or under the terms of this Mortgage and shall not be in lieu of any other remedy available to Mortgagee.

13. EVENTS OF DEFAULT.

Upon the occurrence of any of the following, the Mortgagee shall be entitled to exercise its remedies under this Mortgage or as otherwise provided by law: (1) Borrower fails to pay when due any amount payable under the Note, any guaranty, or any other agreement evidencing indebtedness secured by this Mortgage; (2) Borrower makes any materially incorrect or misleading representation in any financial statement or other information delivered to the Mortgagee; (3) Borrower becomes insolvent or unable to pay its debts as they become due; (4) the Borrower (a) makes an assignment for the benefit of creditors; or (b) consents to the appointment of a custodian, receiver, or trustee for itself or for a substantial part of its assets; or (c) commences or consents to the commencement of any proceeding under any bankruptcy, reorganization, liquidation, insolvency, or similar laws or any jurisdiction; (5) a custodian, receiver, or trustee is appointed for the Borrower or for a substantial part of the assets of the same without the consent of the party against which the appointment is made and is not removed within 60 days after such appointment; or Borrower consents to such appointment; (6) proceedings are commenced against the Borrower under any bankruptcy reorganization, liquidation, or similar laws of any jurisdiction, and such proceedings remain undismissed for 60 days after commencement; (7) any judgement is entered against the Borrower or any attachment, levy, or garnishment is issued against any property of the Borrower; (8) any proceedings are instituted for the foreclosure or collection of any mortgage, judgment or lien affecting the Premises; (9) Borrower sells, transfer or hypothecates any part of the Premises except as provided in this Mortgage without the prior written consent of the Mortgagee; or (10) Borrower without the Mortgagee's written consent (a) is dissolved; (b) merges or consolidates with any third party; (c) sells a material part of its assets or business outside the ordinary course of its business; or (d) agrees to do any of the foregoing; or (11) or for any reason Mortgagee deems itself insecure.

14. ACCELERATION; REMEDIES.

Upon the happening of any Event of Default set forth in Paragraph 13 or upon Borrower's breach of any covenant or agreement of Borrower in this Mortgage or failure to pay any sums when due under the Note or any other indebtedness of Borrower to Mortgagee that is secured by this Mortgage, Mortgagee, prior to acceleration, shall mail notice to Borrower in the manner provided in Paragraph 15 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than thirty (30) days from the date the notice is mailed to Borrower, by which such breach must be cured; and, (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Premises. If the breach is not cured on or before the date specified in the notice, Mortgagee, at Mortgagee's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceedings. Mortgagee shall be entitled to collect in such proceeding all expenses or foreclosure, including, but not limited to, reasonable attorneys' fees, and costs of documentary evidence, court costs and cost of abstracts and title reports.

15. NOTICE.

Any notice to Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address shown on the records of Mortgagee or at such other address as Borrower may designate by notice to Mortgagee as provided herein. Further any notice to Mortgagee shall be given by certified mail, return receipt requested, to Mortgagee's principal office or to such other address as Mortgagee may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Mortgagee when given in the manner designated herein.

16. BORROWER NOT RELEASED.

Extension of the time for payment or modification of amortization of the sums due on any indebtedness secured by this Mortgage granted by Mortgagee to any successor in interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Mortgagee shall not be required to commence proceedings against such successor or refuse to

extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and Borrower's successors in interest.

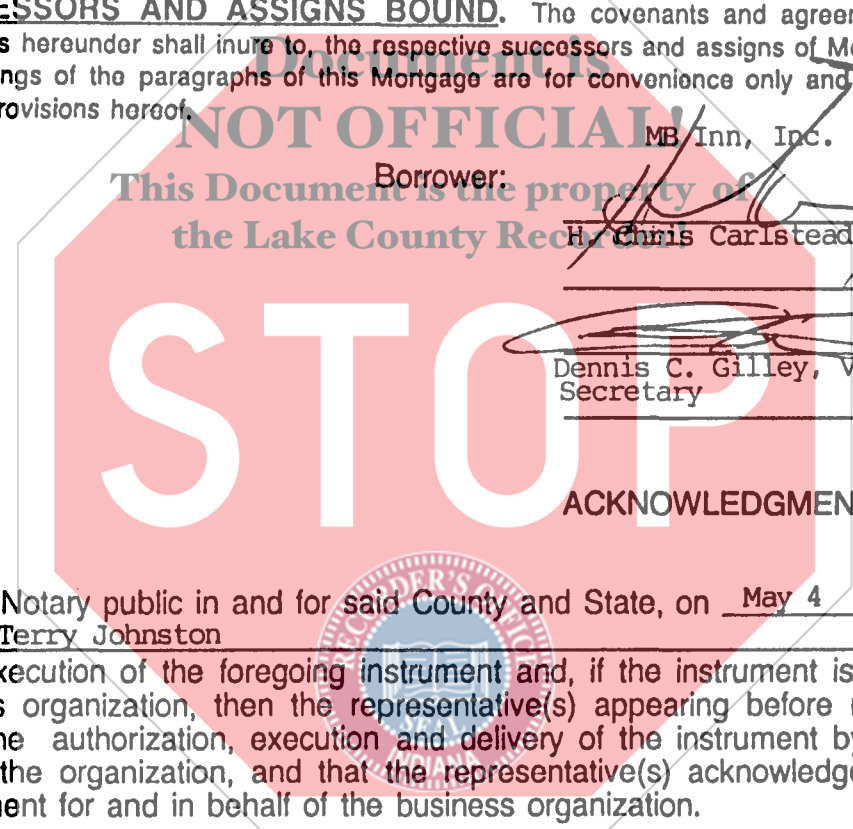
17. **WAIVER OF JURY TRIAL.** Mortgagee and Borrower each knowingly, voluntarily and intentionally waive any right either of them have to a trial by jury in any litigation arising out of this Mortgage. Neither Mortgagee nor Borrower shall seek to consolidate, by counterclaim or otherwise, any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

18. **FORBEARANCE BY LENDER NOT A WAIVER.** Any forbearance by Mortgagee in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Mortgagee shall not be a waiver of Mortgagee's right to accelerate the maturity of any indebtedness secured by this Mortgage.

19. **REMEDIES CUMULATIVE.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

20. **SUCCESSORS AND ASSIGNS BOUND.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Mortgagee and Borrower. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

Document
NOT OFFICIAL
MB Inn, Inc.



Borrower:

H. Chris Carlstead, Jr., President

Dennis C. Gilley, Vice-President/
Secretary

STATE OF
COUNTY OF

ACKNOWLEDGMENT

Before me, a Notary public in and for said County and State, on May 4,
1998, came Terry Johnston who
acknowledged the execution of the foregoing instrument and, if the instrument is being executed on
behalf of a business organization, then the representative(s) appearing before me certified that all
required action for the authorization, execution and delivery of the instrument by the representative
has been taken by the organization, and that the representative(s) acknowledged the execution of
the foregoing instrument for and in behalf of the business organization.

My commission expires:

12/17/2001

Signature of Notary Public

KELLY A. GREEN
Printed Name of Notary Public

VANDERBURGH
County of Residence of Notary Public

This instrument was prepared by the law firm of Statham, Johnson and McCray, Evansville, Indiana
with insertions prepared by KELLY A. GREEN

When Recorded Return to: United Fidelity Bank
18 N.W. Fourth St.
Evansville, IN 47708



FIRST AMERICAN TITLE INSURANCE COMPANY
5265 COMMERCE DRIVE, CROWN POINT, INDIANA 46307
ALTA Commitment
Schedule C

File No.: FA16211

LEGAL DESCRIPTION:

PARCEL 1:

PART OF LOT 6 DESCRIBED AS FOLLOWS: STARTING AT THE NORTHEAST CORNER OF LOT 6 PROCEED SOUTH 17 DEGREES 37 MINUTES 37 SECONDS WEST A DISTANCE OF 734.04 FEET; THENCE PROCEED SOUTH 81 DEGREES 10 MINUTES WEST A DISTANCE OF 323.20 FEET; THENCE PROCEED NORTH 21 DEGREES 57 MINUTES 54 SECONDS EAST A DISTANCE OF 946.34 FEET, MORE OR LESS, TO A POINT ON THE NORTH LINE OF LOT 6 SAID POINT BEING 227.42 FEET NORTHWEST OF THE NORTHEAST CORNER OF SAID LOT 6; THENCE PROCEED SOUTH 55 DEGREES 36 MINUTES 48 SECONDS EAST A DISTANCE OF 227.42 FEET TO THE POINT OF BEGINNING, ALL IN KENNEDY INDUSTRIAL PARK, HAMMOND, INDIANA, AS SHOWN IN PLAT BOOK 38, PAGE 27, AND RE-RECORDED IN PLAT BOOK 38, PAGE 55, IN LAKE COUNTY, INDIANA.

PARCEL 2:

PART OF LOT 6, KENNEDY INDUSTRIAL PARK, HAMMOND, INDIANA DESCRIBED AS FOLLOWS: STARTING AT THE NORTHWEST CORNER OF LOT 6 PROCEED SOUTH 55 DEGREES 36 MINUTES 48 SECONDS EAST ALONG THE NORTHERLY LINE OF SAID LOT 6 A DISTANCE OF 227.43 FEET; THENCE PROCEED SOUTH 21 DEGREES 57 MINUTES 54 SECONDS WEST A DISTANCE OF 528.58 FEET TO THE PLACE OF BEGINNING; THENCE CONTINUE SOUTH 21 DEGREES 57 MINUTES 59 SECONDS WEST A DISTANCE OF 251.02 FEET; THENCE PROCEED SOUTH 79 DEGREES 28 MINUTES 01 SECONDS WEST A DISTANCE OF 320.08 FEET MORE OR LESS TO A POINT IN THE WEST LINE OF LOT 6; SAID POINT BEING 1001.58 FEET SOUTHERLY OF THE NORTHWEST CORNER OF LOT 6; THENCE PROCEED NORTH 24 DEGREES 42 MINUTES 13 SECONDS EAST ALONG THE WEST LINE OF LOT 6 A DISTANCE OF 423.42 FEET; THENCE PROCEED SOUTH 68 DEGREES 2 MINUTES 6 SECONDS EAST A DISTANCE OF 249.33 FEET MORE OR LESS TO THE PLACE OF BEGINNING, ALL IN KENNEDY INDUSTRIAL PARK ADDITION TO THE CITY OF HAMMOND AS MARKED AND LAID DOWN IN PLAT BOOK 38, PAGE 55 IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

