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**ADJUSTABLE RATE DEMAND NOTE
SECURED BY A REAL ESTATE MORTGAGE**

REC-10000

Notice to Borrower: This Note contains (i) a provision allowing for changes in the interest rate and (ii) a provision for obligatory future advances of principal not to exceed

Hobart, Indiana

1. **BORROWER'S PROMISE TO PAY.** In return for the issuance by HFS BANK, F.S.B., ("Lender") of its Irrevocable Letter of Credit dated July 7, 1999, a copy of which is attached to this Note and is incorporated hereby reference and labeled Exhibit "A" (the "Credit"), the undersigned, HOBART VENTURE II, an Indiana Limited Partnership (hereinafter sometimes referred to as "Borrowers"), promise to pay the amount (or amounts) paid out by the Lender, but in no event more than Fifty Thousand Dollars (\$50,000.00). As a result of the issuance by Lender of said Credit (the amount will be called "Principal"), plus interests, costs and attorney fees, as provided therein and in a certain Letter of Credit Agreement of even date herewith, to the order of HFS Bank, F.S.B., or order. The undersigned understands that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer, and who is entitled to receive payments under this Note, will be called the "Note Holder").

2. **INTEREST.** Interest will be charged on that part of outstanding Principal that has been paid. Interest will be charged beginning on the date HFS Bank disburses Principal pursuant to said Credit, and will continue until the full amount of Principal disbursed as a result of said Credit has been paid. The interest rate charged on each outstanding disbursement of Principal will be one percent (1.00%) above the Prime Rate published by the Wall Street Journal in its "Money Rates" section and defined in the Journal as the Base Rate on corporate loans posted by at least 75% of the nation's 30 largest banks. The determination of the interest rate charged on each disbursement will be fixed at the time of the disbursement.

3. **PAYMENTS; TERMS OF LOAN.** Borrower will pay outstanding principal, accrued balance, costs and fees upon demand by the Note Holder.

4. **BORROWER'S FAILURE TO PAY AS REQUIRED.** If any payment due under this Note is not paid when due, the entire Principal amount outstanding hereunder and accrued interest thereon shall at once become due and payable at the option of the Note Holder hereof. The Note Holder hereof may exercise its option to accelerate during any default by the undersigned regardless of any prior forbearance. In the event of any default in the payment of this Note and if the same is referred to an attorney at law for collection and/or action at law or in equity is brought

555 E Third Street
Hobart, In 46342

HGM
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with respect thereto, the undersigned shall pay the Note Holder hereof all expenses and costs, including but not limited to, attorney fees.

5. WAIVERS-RESPONSIBILITY OF UNDERSIGNED UNDER THIS NOTE-MISCELLANEOUS. From time to time, without affecting the obligation of the undersigned or the successors or assigns of the undersigned to pay the outstanding principal balance of this Note and observe the covenants of the undersigned contained herein, without affecting the guaranty of the any person, corporation, partnership or other entity or payment of the outstanding principal balance of this Note, without giving notice to or obtaining the consent of the undersigned, and without liability on the part of the holder hereof, the holder hereof may, at the option of the holder hereof extend the time of payment of said outstanding principal balance or any part thereof reduce the payment of said outstanding principal balance, join in any extension or subordination agreement, release any security given hereof, take or release other or additional security, and agree in writing with the undersigned to modify the terms of this Note.

Benefit of any valuation and appraisal and exemption rights as against said debt, demand, presentment for payment, protest and notice of dishonor and nonpayment are hereby waived by all makers, sureties, grantors and endorsers hereof. This Note shall be the joint, several and collective obligations of all makers, sureties, grantors and enforcers, and shall be binding upon them and their successors and assigns. In the Note, the singular shall include the plural and the captions and the headings of the paragraphs of this Note are for convenience only and are not to be used to interpret or define the provisions hereof.

In the event the sums payable hereunder are subject to a law which sets maximum loan charges and that such law is interpreted so that the interest or other loan charges collected in connection with said sums exceed permitted limits, and if this is the case, then;

A. Any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit;

B. Any sums already collected from Borrower, which exceed permitted limits would be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower.

6. NOTICES. Any notice that must be given to the undersigned under this Note will be given by mailing it by certified mail addressed to Hobart Venture II, 2846 45th Street, Highland, Indiana 46322. Notices will be mailed to the undersigned at a different address if the undersigned gives the Note Holder such notice of a different address.

Any notice that must be given to the Note Holder under this Note will be given by mailing it by certified mail to the Note Holder at 555 East Third Street, Hobart, Indiana 46342. Notices will be mailed to the Note Holder at a different address if the undersigned is given a notice of that different address.

7. **NOTE SECURED BY A MORTGAGE.** The indebtedness evidenced by this Note is secured by a mortgage of even date herewith, and referenced is made thereto for rights as to the acceleration of the indebtedness evidenced by this Note.

8. **CERTIFICATION.** The undersigned, Hobart Venture II, understands that it is liable for the terms, covenants and conditions contained in this Note and have pledged the Real Estate Mortgage which it owns as security for repayment of the loan.

IN WITNESS WHEREOF, this Note is executed, sealed and delivered as of the day of July 7, 1999.

HOBART VENTURE II, an Indiana Limited Partnership.

CRG, INC., an Indiana Corporation, General Partner

BY: Charles R. Greiner
Charles R. Greiner, President

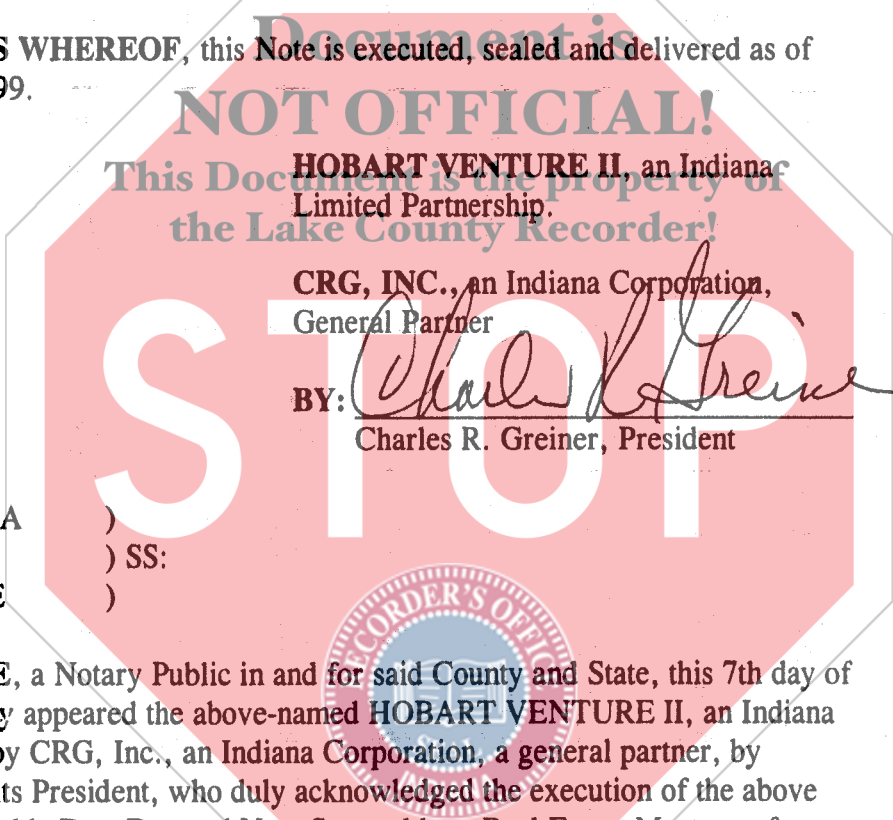
STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

BEFORE ME, a Notary Public in and for said County and State, this 7th day of July, 1999, personally appeared the above-named HOBART VENTURE II, an Indiana limited partnership, by CRG, Inc., an Indiana Corporation, a general partner, by Charles R. Greiner, its President, who duly acknowledged the execution of the above and foregoing Adjustable Rate Demand Note Secured by a Real Estate Mortgage for and on behalf of said partnership and his voluntary act and deed as such partner.

WITNESS my hand and Notarial Seal.

Gail A. Hagen
Notary Public GAIL A. HAGEN

My Commission Expires: 8/24/06
County of Residence: LAKE



Attachment to Adjustable Rate Demand Note Secured by a Real Estate Mortgage to HFS Bank, F.S.B. for Land Trust # 10125.

THIS INSTRUMENT is executed by the undersigned Trustee, not personally but solely as Trustee under the terms of that certain agreement dated the 15th day of April, A.D. 1994, creating Trust No. 10125; and it is expressly understood and agreed by the parties hereto, anything herein to the contrary notwithstanding, that each and all of the covenants, undertakings, representations and agreements herein made are made and intended not as personal covenants, undertakings, representations and agreements of the trustee, individually or for the purpose of binding it personally, but this instrument is executed and delivered by Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank as trustee, solely in the exercise of the powers conferred upon it as such Trustee under said agreement and no personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforced against Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank, on account hereof, or on account of any covenant, undertaking, representation or agreement herein contained, either expressed or implied, all such personal liability, if any, being hereby expressly waived and released by the parties hereto or holder hereof, and by all persons claiming by or through or under said parties or holder hereof. Nothing contained herein will be construed as creating any liability on said Trustee, personally under the provisions of the Comprehensive Environmental Response, Compensation and Liability Act, (CERCLA) or the Indiana Responsible Property Transfer Law ("RPTL") as amended from time to time or any other federal, state or local law, rule or regulation. Said Trustee, personally, is not a "Transferor" or "Transferee" under RPTL 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 of its own knowledge and specifically exculpates itself from any liabilities, responsibilities or damages as a result of including any warranty in this instrument. IN WITNESS WHEREOF, Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank has caused its name to be signed to these presents by its Executive Vice-President and Trust Officer and attested by its Administrative Secretary the day and year first above written.

Peoples Bank SB f/k/a Peoples Bank, A Federal Savings Bank as Trustee aforesaid and not personally,
By: Frank J. Bochnowski
Frank J. Bochnowski
Executive Vice-President and Trust Officer

ATTEST:
By: Janine Mahala
Janine Mahala
Administrative Secretary

State of Indiana)
) SS:
County of Lake)

I, Joyce M. Barr a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY, that Frank J. Bochnowski and Janine Mahala of PEOPLES BANK SB an Indiana Corporation, f/k/a Peoples Bank, A Federal Savings Bank personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Executive Vice-President and Trust Officer and Administrative Secretary, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary acts, and as the free and voluntary act of the said Indiana Corporation, as Trustee, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 20th day of July, 1999.
My Commission Expires:
03/18/08

Joyce M. Barr
Notary Public Signature - Joyce M. Barr
Resident of Lake County

