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Purchase Money Mortgage

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Chicago Title Insurance Company

This Mortgage made the 28th day of March, 2000, by and between **David R. Lindlow and Peggy L. Lindlow**, hereinafter referred to as the "Mortgagor", whose address is 513 East State Street, P.O. Box 261, Morocco, IN 47963 and **Harry Nelson**, hereinafter referred to as the "Mortgagee", whose address is 17523 Bernadine Street, Lansing, IL 60438.

Recitals

A. The Mortgagor claims title to the premises by Warranty Deed, dated 3-28-00, and recorded in the Office of the Recorder of Lake County, Indiana.

B. The Mortgagor by his certain Note, hereinafter called the "Note", bearing the same date as this Mortgage, is indebted to the Mortgagee in the principal sum of One Hundred Seventeen Thousand Dollars (\$117,000.00) advanced or to be advanced by Mortgagee to Mortgagor according to the terms and conditions of the Note, any unpaid remaining balance provided for in the Note or herein being due and payable on or before February 15, 2010.

NOW THEREFORE, in order to secure payment of the principal sum and the interest hereon, and all other sums provided for in the Note or herein, and the performance of the covenants and agreements hereinafter expressed, and in consideration of said indebtedness, the Mortgagor does hereby grant, convey, mortgage, and warrant unto the Mortgagee the real property and all of its estate, right, title, and interest therein, described as:

Part of the Southeast quarter of Section 4, Township 35 North, Range 9 West of the Second Principal Meridian in Lake County, Indiana, described as beginning at a point in the South line of said quarter section at a point which is 996.5 feet East of the Southwest corner of the Southeast quarter of said Section 4; thence North parallel to the West line of said quarter section 877.27 feet more or less to the centerline of Central Avenue Drainage Ditch; thence continuing on an extension of said 877.27 foot line that is parallel to the West line of said quarter section 450.88 feet to the South right of way line of 100 foot wide Elgin, Joliet and Eastern Railway Company; thence Southwesterly along said South right of way line, a distance of 833.9 feet to another curved right of way line of the Elgin, Joliet and Eastern Railway; thence Southwesterly along said curved right of way which has a radius of 523.14 feet, convexed to the Northwest for a distance of 29 feet more or less to the centerline of the Central Avenue Drainage Ditch; thence Southeasterly along the centerline of said Central Avenue Drainage Ditch 547.15 feet; thence Northeasterly in a straight line 198.5 feet to a point that is 809.2 feet East of the West line of said quarter section and 108.7 feet Southeast of the aforesaid 833.9 foot line measured at right angles thereto; thence Easterly on a straight line 177.30 feet to a point that is 986.5 feet East of the West line and 1153.4 feet North of the South line of said Southeast quarter;

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thence South on a line parallel to and 986.5 feet East of the West line of said Southeast quarter, 1153.40 feet to the South line of said Southeast quarter; thence East 10 feet to the point of beginning; commonly known as 614 Gatlin Road, Schererville, Indiana.

TOGETHER WITH any and all buildings and improvements erected or hereinafter erected thereon.

TOGETHER WITH any and all fixtures, whether real estate or not, now or at any time hereafter attached to or situated in the Premises or the buildings and improvements erected or hereafter erected thereon, or of any business now or hereafter operated by the owner or any occupant of the mortgaged property or any part thereof.

TOGETHER WITH all and singular the tenements, hereditament, and appurtenances belonging to the premises or any part thereof, hereby mortgage or intended so to be, or in anyway appertaining thereto, including but not limited to all income, rents, and profits arising therefrom, all streets, alleys, passages, ways, watercourses, all other rights, liberties, and privileges of whatsoever kind or character, the reversions and remainders, and all the estate, right, title, interest, property, possession, claim, and demand whatsoever, at law as well as in equity, as well as any after-acquired title of Mortgagor, to the premises or any part thereof.

TO HAVE AND TO HOLD the premises unto the Mortgagee, its successors and assigns forever, for the purposes and uses set forth herein, under the following terms and conditions:

ARTICLE 1. COVENANTS

Mortgagor hereby covenants and agrees with Mortgagee as follows:

Waste and Maintenance of Premises

Section 1.01. The Mortgagor shall abstain from and not permit the commission of waste in or about the premises; shall maintain the premises in good condition and repair, reasonable wear and tear excepted. The Mortgagee shall have the right, but not the duty, to enter upon the premises at any reasonable hour to inspect the order, condition, and repair thereof, including the interior of any buildings and improvements located thereon.

Insurance Obligation

Section 1.02. The Mortgagor will procure, deliver to, and maintain for the benefit of the Mortgagee during the continuance of this Mortgage and until the same is fully satisfied and released, a policy or policies of insurance insuring the buildings and improvements now existing or hereafter erected on the said land against loss or damage by fire, lightning, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles, smoke, and such other hazards, casualties, and

contingencies as the Mortgagee may designate. All policies of insurance required hereunder shall be in such form and amounts and by such companies, as the Mortgagee may accept, and shall contain a Mortgagee clause acceptable to the Mortgagee, with loss payable to the Mortgagor and the Mortgagee as their interests may appear. The Mortgagor will promptly pay when due any premiums on any policy or policies of insurance required hereunder, and will deliver to the Mortgagee renewals of such policy or policies at least ten (10) days prior the expiration date(s) thereof, the said policies and renewals to be marked "paid" by the issuing company or agent.

In the event of any loss or damage, the Mortgagor will give prompt notice thereof to the Mortgagee. All proceeds of insurance in the event of such loss or damages shall be payable jointly to the Mortgagor, its successors and assigns, and the Mortgagee. All funds will be utilized by the Mortgagor to the extent necessary to restore the premises to substantially the same condition as the premises existed prior to the loss or damage, unless the Mortgagor shall elect not to do so. In the latter event, the Mortgagee shall then apply the proceeds to the then existing indebtedness and the balance shall be paid to the Mortgagor.

Payment of Taxes and Other Charges

Section 1.03. The Mortgagor shall pay all real estate taxes, water and sewer rents, other similar claims and liens assessed or which may be assessed against the premises or any part thereof, without any deduction or abatement, not later than ten (10) days before the date on which such taxes, water and sewer rents, claims and liens commence to bear interest or penalties, and not later than such dates, shall produce to the Mortgagee receipts for the payment thereof in full and shall pay every other tax, assessment, claim, lien, or encumbrance which may at any time be or become a lien upon the premises prior to the lien of this Mortgage; provided, however, that if the Mortgagor shall in good faith, and by proper legal action, contest any such taxes, claims, liens, encumbrances, or other charges, or the validity thereof, and shall have established on its books, or by deposit of cash with the Mortgagee (as the Mortgagee may elect), a reserve for the payment thereof in such amount as the Mortgagee may require, then the Mortgagor shall not be required to pay the same, or to produce such receipts, during the maintenance of said reserve and as long as such contest operates to prevent collection, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to the Mortgagor.

Payment of Future Taxes

Section 1.04. If at any time the United States government or any other federal, state, or municipal government or subdivision thereof shall require internal revenue or other documentary stamps or tax on this Mortgage or the Note secured hereby, upon demand the Mortgagor shall pay for same; and on failure to make such payment within ten (10) days after demand for same, the Mortgagee may pay for such stamps and add the amount so paid to the principal indebtedness evidenced by the Note and secured by this Mortgage, and said additional principal shall bear interest at the rate of eight percent (8%) per annum.

Condemnation

Section 1.05. If any part of the Premises, but less than all, is taken or acquired either temporarily or permanently, by any condemnation proceeding or by the right of eminent domain, any award or payment received by the Mortgagor shall be payable jointly to the parties hereto. Said payment or award shall be utilized first to restore or repair any damage to the Premises occasioned by said taking. Thereafter, the Mortgagee shall receive that proportion of the award or payment that the award or payment shall bear to the sum of One Hundred Seventeen Thousand Dollars (\$117,000.00). Said amount shall be applied to the then existing balance due the Mortgagee and the remaining portion of the award or payment shall be payable to the Mortgagor.

In the event that all of the Premises are so taken or acquired by any condemnation proceedings or by the right of eminent domain, any award or payment received by the Mortgagor shall be paid to the Mortgagee for application against the then existing balance and any remaining portion of the award or payment shall be retained by the Mortgagor.

Compliance With Ordinances

Section 1.06. The Mortgagor shall comply with any municipal or county ordinance or regulation affecting the Premises within thirty (30) days after notice thereof; provided, however, that if the Mortgagor shall in good faith, and by proper legal action, contest any such ordinance or regulation, or the validity thereof, then the Mortgagor shall not be required to comply therewith so long as such contest operates to prevent enforcement, and is maintained and prosecuted with diligence, and shall not have been terminated or discontinued adversely to the Mortgagor.

Personal Liability

Section 1.07. The Mortgagor agrees to pay all indebtedness secured by this Mortgage in accordance with its terms and with the terms of the Note.

ARTICLE 2. DEFAULT AND BREACH Events of Default

Section 2.01. The following shall constitute Events of Default hereunder:

- (a) The failure of the Mortgagor to pay any installment of principal or interest when the same is due.
- (b) The failure of the Mortgagor to pay any other sum required to be paid in the Note or in this Mortgage when the same is due.
- (c) The failure of the Mortgagor to perform any covenant or agreement in the Note or in this Mortgage.

- (d) Any assignment for the benefit of the Mortgagor's creditors or other proceedings intended to liquidate or rehabilitate the Mortgagor's estate, or the Mortgagor becoming insolvent within the meaning of the federal Bankruptcy Code.

Foreclosure on Default

Section 2.02. Upon the occurrence of any one or more of said Events of Default, the entire unpaid balance on the principal, the accrued interest, and all other sums secured by this Mortgage, shall, at the option of the Mortgagee, become immediately due and payable without notice or demand, and in any such Event of Default the Mortgagee may proceed to foreclose this Mortgage by judicial proceedings, according to the statutes. Any failure to exercise said option shall not constitute a waiver of the right to exercise the option at any other time. In any such proceedings, there shall be allowed and included, as additional indebtedness in the judgment, all reasonable expenses which may be paid or incurred by or on behalf of the Mortgagee for the attorney's fees, and any other reasonable expenses which the Mortgagee may deem reasonably necessary to prosecute such suit or to maintain the sale pursuant to the judgment. The proceeds of any foreclosure sale to the payment of all items other than principal and interest which are secured indebtedness under this Mortgage; third, to the payment of the unpaid principal and interest under the Note; and fourth, any surplus to the Mortgagor, his successors, or assigns.

Possession and Receivership

Section 2.04. The Mortgagee shall have the right in any proceedings, to foreclose this Mortgage to the appointment of a receiver to collect the rents, issues, income, and profits of the Premises and apply them to the payment of the indebtedness, interest, attorney's fees and costs, and any other payments required by the Note or this Mortgage, without notice and without regard to the adequacy of the Premises to secure the indebtedness. Or, instead of such receivership, the Mortgagee may, at its option, itself take possession of the Premises during the period of redemption, and collect the rents and apply them in the manner set forth above.

Failure to Pay Taxes or Insurance Premiums

Section 2.05. If the Mortgagor fails to pay any tax, claim, lien, or encumbrance which shall be or become prior in lien to this Mortgage or to pay any insurance premium as aforesaid, or to keep the Premises in repair, as aforesaid, or commits or permits waste, then the Mortgagee, at its option, may pay said claim lien, encumbrance, tax, assessment, or premium, with right of subrogation thereunder, may make such repairs and take such steps as it deems advisable to prevent or cure such waste, and may appear in any action or proceeding with respect to any of the foregoing and retain counsel therein, and take such action therein as the Mortgagee deems advisable, and for any of said purposes the Mortgagee may advance such sums of money as it deems necessary. All such advance at the rate of ten percent (10%) per annum, shall be so much additional secured hereby and shall immediately become due and payable without notice. The

failure of the Mortgagee to act pursuant to this section shall not be deemed a waiver of any rights the Mortgagee may have because of any default of the Mortgagor.

Assignment of Leases and Rent

Section 2.06. As further security for payment of the indebtedness and performance of the obligations, covenants, and agreements secured hereby, the Mortgagor hereby assigns to the Mortgagee all leases already in existence and to be created in the future, together with all rents to become due under existing or future leases. This assignment, however, shall be operative only in the event of the occurrence of a default hereunder, or under the Note or other instrument collateral hereto, remaining uncured at the expiration of the grace period, if any, provided above in respect to such default; and in any such case the Mortgagor hereby confers on the Mortgagee the exclusive power to take possession of, and collect all rents arising from the Premises and apply such rents, at the option of the Mortgagee, to the payment of the mortgage debt, taxes, costs of maintenance, repairs, expenses incident to managing, and other expenses, in such order of priority as the Mortgagor; but such collection of rents shall not operate as an affirmation of the tenant or lease in the event the Mortgagor's title to the Premises should be acquired by the Mortgagee. The Mortgagee shall be liable to account only for rents and profits actually received by the Mortgagee. In exercising any of the powers contained in this section, the Mortgagee may also take possession of, and for these purposes use, any and all personal property contained in the Premises and used by the Mortgagor in the rental or leasing thereof or any part thereof.

ARTICLE 3. SATISFACTION AND RELEASE **Satisfaction of Mortgage**

Section 3.01. If the Mortgagor complies with the provisions of this Mortgage and pays to the Mortgagee said principal sum, and all other sums payable by the Mortgagor to the Mortgagee as are hereby secured, in accordance with the provisions of the Note and in the manner and at the times therein set forth, without deduction, fraud or delay, then and from thenceforth this Mortgage, and the estate hereby granted, shall cease and become void, anything hereinbefore contained to the contrary notwithstanding.

Transfer fo Title by Mortgagor

Section 3.02. Any transfer by sale, gift, devise, operation of law or otherwise of the fee title interest in all or any portion of the Mortgaged Premises shall have the same consequences as an event of default respecting the indebtedness secured hereby, and upon such transfer, the Mortgagee, without prior notice or the elapse of any period of grace or the right to cure, shall have the right to declare all sums secured hereby immediately due and payable and, upon failure by the Mortgagor to make such payment within thirty (30) days of written demand therefor, t he Mortgagee shall have the right to exercise all remedies provided in the Note, this Mortgage, or otherwise at law.

**ARTICLE 4. MISCELLANEOUS
Notice**

Section 4.01. A notice which is mailed by certified mail to the Mortgagor or at such other address as the Mortgagor shall designate to the Mortgagee in writing, shall be sufficient notice when required under this Mortgage.

Cumulative Rights and Remedies

Section 4.02. The rights and remedies of the Mortgagee as provided herein, or in said Note, and the warrant therein contained, shall be cumulative and concurrent, and may be pursued singly, successively, or together at the sole discretion of the Mortgagee, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.

**This Document is the property of
the Lake County Recorder!**

Section 4.03. All agreements between the Mortgagor and the Mortgagee are hereby expressly limited so that in no contingency or event whatsoever shall the amount paid, or agreed to be paid, to the Mortgagee for the use, forbearance, or detention of the money due under the Note secured hereby exceed the maximum amount permissible under applicable law. If, due to any circumstance whatsoever, fulfillment of any provision hereof, at the time performance of such provision shall be due, shall involve transcending the limit of validity, and if from any circumstances the Mortgagee should ever receive as interest an amount that would exceed the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing under the Note secured hereby and not to the payment of interest.

Indiana State Law to Apply

Section 4.04. This Mortgage shall be construed under and in accordance with the laws of the State of Indiana, and all obligations of the parties created hereunder are performable in Lake County, Indiana.

Parties Bound

Section 4.05. This Mortgage shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Mortgage.

Severability

Section 4.06. In case any one or more of the provisions contained in this Mortgage shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Mortgage shall

be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Time of Essence

Section 4.07. Time is of the essence of this Mortgage.

Construction


Section 4.08. The words "Mortgagor" and "Mortgagee" include singular or plural, individual or corporation, and the respective heirs, personal representatives, executors, administrators, successors and assigns of the Mortgagor and the Mortgagee, as the case may be. The use of any gender applies to all genders. If more than one party is named as the Mortgagor, the obligation hereunder of each such party is joint and several.

Captions


Section 4.09. The captions herein are inserted only for convenience of reference and in no way define, limit, or describe the scope or intent of this Mortgage or any particular paragraph or section hereof, nor the proper construction hereof.

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage this 28th day of March, 2000.

MORTGAGOR:



David R. Lindlow



Peggy L. Lindlow

This Instrument Prepared By: Steve H. Tokarski, Attorney No. 862-45, 7803 West 75th Avenue, Suite 1, Schererville, IN 46375. (219)322-1271.

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Subscribed and sworn to before me, a Notary Public, in and for said County and State personally appeared David R. Lindlow and Peggy L. Lindlow, and acknowledged the execution of the foregoing Mortgage on the 28th day of March, 2000.

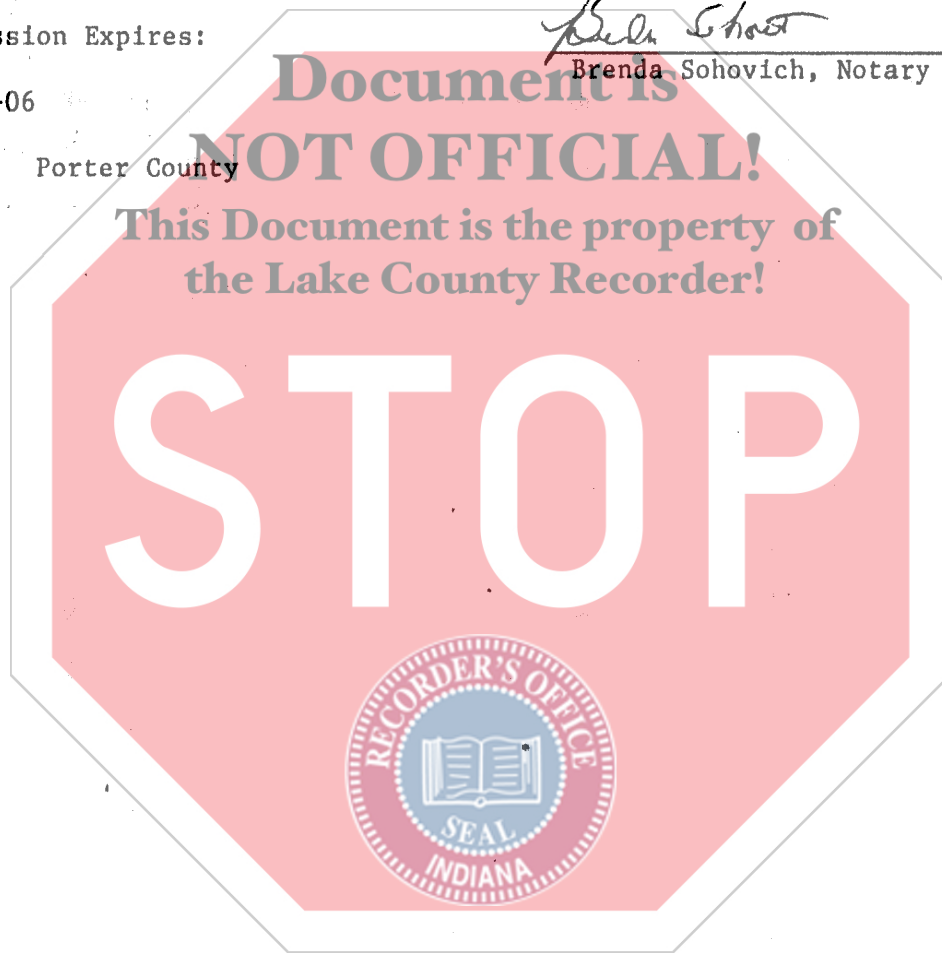
My Commission Expires:

12-28-06

Resident: Porter County

Brenda Soho

Brenda Soho, Notary Public



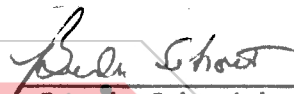
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12-28-06

Resident: Porter County



Brenda Sohovich, Notary Public

