

REAL ESTATE MORTGAGE AND SECURITY AGREEMENT

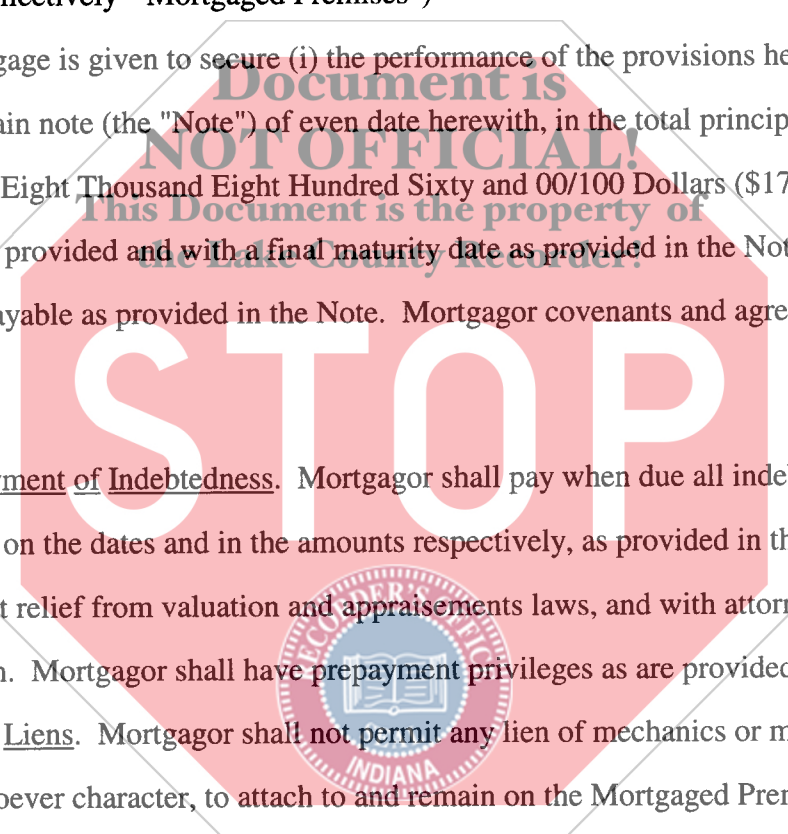
62-12957

THIS INDENTURE WITNESSETH, that Merrillville Corporate Lakes, LLC, an Indiana limited liability company, with its principal office located at 1000 East 80th Place, Suite 700 North, Merrillville, Indiana 46410, ("Mortgagor"), mortgages and warrants to Whiteco Industries, Inc., a Nebraska corporation, with its principal office located at 1000 East 80th Place, Suite 700 North, Merrillville, Indiana 46410, ("Mortgagee"), certain real estate situated in Lake County, Indiana, which real estate is more particularly described on the attached Exhibit A and incorporated herein by this reference, together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures, and improvements now or hereafter belonging, appertaining, attached to, or used in connection therewith, and all the rents, issues, income, and profits thereof (collectively "Mortgaged Premises")

This mortgage is given to secure (i) the performance of the provisions hereof and (ii) the payment of a certain note (the "Note") of even date herewith, in the total principal amount of One Hundred Seventy Eight Thousand Eight Hundred Sixty and 00/100 Dollars (\$178,860.00) with interest as therein provided and with a final maturity date as provided in the Note. The principal and interest are payable as provided in the Note. Mortgagor covenants and agrees with Mortgagee that:

1. Payment of Indebtedness. Mortgagor shall pay when due all indebtedness secured by this mortgage, on the dates and in the amounts respectively, as provided in the Note and this mortgage, without relief from valuation and appraisements laws, and with attorneys' fees and costs of collection. Mortgagor shall have prepayment privileges as are provided in the Note.
2. No Liens. Mortgagor shall not permit any lien of mechanics or materialmen, or any lien of whatsoever character, to attach to and remain on the Mortgaged Premises or any part thereof for more than 45 days after receiving notice thereof. Mortgagor may protest or contest any such lien provided it post a bond or provides other security satisfactory to Mortgagee, in Mortgagee's sole discretion. Mortgagor reserves the right to transfer the Real Estate, in part, to

Chicago Title Insurance Company



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tenants of office space in the ordinary course of business pursuant to written leases acceptable to Mortgagee. Mortgagor and Mortgagee shall agree on form leases and the general terms for leases acceptable to Mortgagee. Any deviations from such form leases or general terms shall receive prior written approval of the Mortgagee. Rents due under all such leases shall be additional security to Mortgagee; provided, however, Mortgagee shall have no obligations or duties with respect to such leases.

3. Repair of Mortgaged Premises; Insurance. Mortgagor shall keep the Mortgaged Premises in good repair and shall not commit waste thereon. Mortgagor shall procure and maintain in effect at all times adequate insurance in insurance companies acceptable to Mortgagee against loss, damage to, or destruction of the Mortgaged Premises because of fire, windstorm, and such other hazards and in such amounts, as Mortgagee may reasonably require from time to time. Such insurance shall have a minimum coverage for replacement of improvements located on the Mortgaged Premises. All such insurance policies shall contain proper clauses making all proceeds of such policies payable to Mortgagee and Mortgagor, as their respective interests may appear. True and correct copies of certificates of insurance for all such policies of insurance shall be delivered to Mortgagee until the indebtedness secured hereby is fully paid.

4. Taxes and Assessments. Mortgagor shall pay all taxes and assessments levied or assessed against the Mortgaged Premises, or any part thereof, as and when they become due and before penalties accrue. Notwithstanding the foregoing, Mortgagor may in good faith contest any tax or assessment made with respect to the Mortgaged Premises by appropriate proceedings.

5. Uniform Commercial Code Security Agreement. This mortgage is intended to be a security agreement pursuant to the Indiana Uniform Commercial Code for any of the items above specified as a part of the Mortgaged Premises which, under applicable law, may be subject to a security interest pursuant to the Indiana Uniform Commercial Code, all of Mortgagor's general intangibles, accounts (receivable), instruments, documents, chattel paper, and any other right to payment (collectively the "Personal Property") and Mortgagor hereby grants and transfers to

Mortgagee a security interest in the Personal Property arising from or related to Mortgagor's operations at the Mortgaged Premises, whether now owned or hereafter acquired, whether or not presently within the contemplation of Mortgagor and Mortgagee, and the proceeds thereof, to include insurance proceeds, tort claims, and settlements. Mortgagor agrees that Mortgagee may file this mortgage, or reproduction thereof, in the real estate records or other appropriate index, as a financing statement for such general intangibles and for any of the items above specified as a part of the Mortgaged Premises. Any reproduction of this mortgage or of any other security agreement or financing statement shall be sufficient as a financing statement. Mortgagor hereby authorizes Mortgagee at the expense of Mortgagor to execute and file a financing statement or statements on its behalf in those public offices deemed necessary or appropriate by Mortgagee to protect its security interest. In addition, Mortgagor agrees to execute and deliver to Mortgagee, upon its request, any financing statements, as well as extensions, renewals, and amendments, and any reproductions of this mortgage, in such form as Mortgagee may require to perfect a security interest with respect to such items. Mortgagor shall pay all costs of filing such financing statements and any extensions, renewals, amendments, and releases and shall pay all reasonable costs and expenses of any record searches for financing statements Mortgagee may reasonably require. Upon Mortgagor's breach of any covenant or agreement of Mortgagor contained in this mortgage, including the covenants to pay when due all sums secured by this mortgage, Mortgagee shall have the remedies of a secured party under the Indiana Uniform Commercial Code and, at Mortgagee's option, may also invoke the remedies provided in paragraph 6 of this mortgage as to such items. In exercising any such remedies, Mortgagee may proceed against Mortgagor's personal property as a part of the mortgaged premises separately or together and in any order whatsoever, without in any way effecting the availability of Mortgagee's remedies under the Indiana Uniform Commercial Code or if the remedies provided in paragraph 6 of this mortgage.

6. Future Advances. In addition to any other obligations secured by this mortgage, this mortgage shall also secure (i) future obligations and advances such that the total maximum

amount secured by this mortgage shall be no more than Three Hundred Thousand Dollars (\$300,000.00), whether made as an obligation, made at the option of Mortgagee, made after reduction to a zero (0) or other balance, or made otherwise, to the same extent as if the future obligations and advances were made on the date of execution of this mortgage and (ii) future modifications, extensions, and renewals of any indebtedness or obligations secured by this mortgage. The lien of this mortgage with respect to such future obligations, advances, modifications, extensions and renewals shall have the same priority to which this mortgage otherwise would be entitled under I.C. 32-1-2-16 without regard to the fact that such future obligations, advances, modifications, extensions, or renewals may occur after this mortgage is executed.

7. Default by Mortgagor; Remedies or Mortgagee. Upon default by Mortgagor in any payment provided for herein or in the Note, or in the performance of any covenant or agreement of Mortgagor hereunder this mortgage, or if Mortgagor shall abandon the Mortgaged Premises, or shall be adjudged bankrupt, or if a trustee or receiver shall be appointed for Mortgagor or for any part of the Mortgaged Premises, then and in any such event, the entire indebtedness secured hereby shall, at the option of Mortgagee, become immediately due and payable, without notice and this mortgage may be foreclosed accordingly. Upon such foreclosure, Mortgagee may obtain appropriate title evidence, and may add the cost thereof and of any title insurance policy to be issued in connection therewith to the principal balance due, together with interest at the rate provided in the Note.

8. Non-Recourse Liability. Notwithstanding anything to the contrary contained in this mortgage, Mortgagee shall look solely to the Mortgaged Premises and collateral securing the Note for payment of any amount, obligation, or provision to be paid Mortgagee by Mortgagor. Neither the Mortgagor, nor any successor or assign, shall have any personal liability for a deficiency for or with respect to the payment to be paid under the Note or the mortgage, and the Mortgagee shall not seek or obtain any deficiency, money judgment, or other judgment against Mortgagor, its successors or assigns.

9. Non-Waiver; Remedies Cumulative. No delay by Mortgagee in the exercise of any of its rights under this Mortgage shall preclude the exercise thereof so long as Mortgagor is in default under this Mortgage, and no failure of Mortgagee to exercise any of its rights under this Mortgage shall preclude the exercise thereof in the event of a subsequent default by Mortgagor under this Mortgage. Mortgagee may enforce any one or more of its rights or remedies under this Mortgage successively or concurrently.

10. Extensions; Reductions; Renewals; Continued Liability of Mortgagor. Mortgagee, at its option, may extend the time for the payment of the indebtedness evidenced by the Note, 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 Mortgagor if 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 Mortgagor or Mortgagee. This mortgage shall secure any notes or other evidence of indebtedness given in substitution for the Note.

11. Condemnation. In the event any or all of the Real Estate is condemned for public use by any government authority, the proceeds from any condemnation award shall be used by the Mortgagor, subject to the interests of the holder of any Permitted Encumbrances, to prepay the Note. The balance of any condemnation award shall be the sole property of Mortgagor.


12. General Agreement of Parties. All rights and obligations hereunder shall extend to and be binding upon the several representatives, successors, and assigns of Mortgagor. 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 title of the several

paragraphs of this mortgage are for convenience only and do not define, limit or construe the contents of such paragraphs.

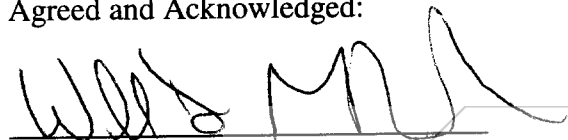
IN WITNESS WHEREOF, Mortgagor has executed this mortgage this 1st day of November 2001.

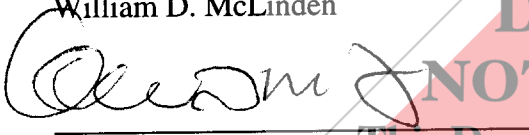
Merrillville Corporate Lakes, LLC

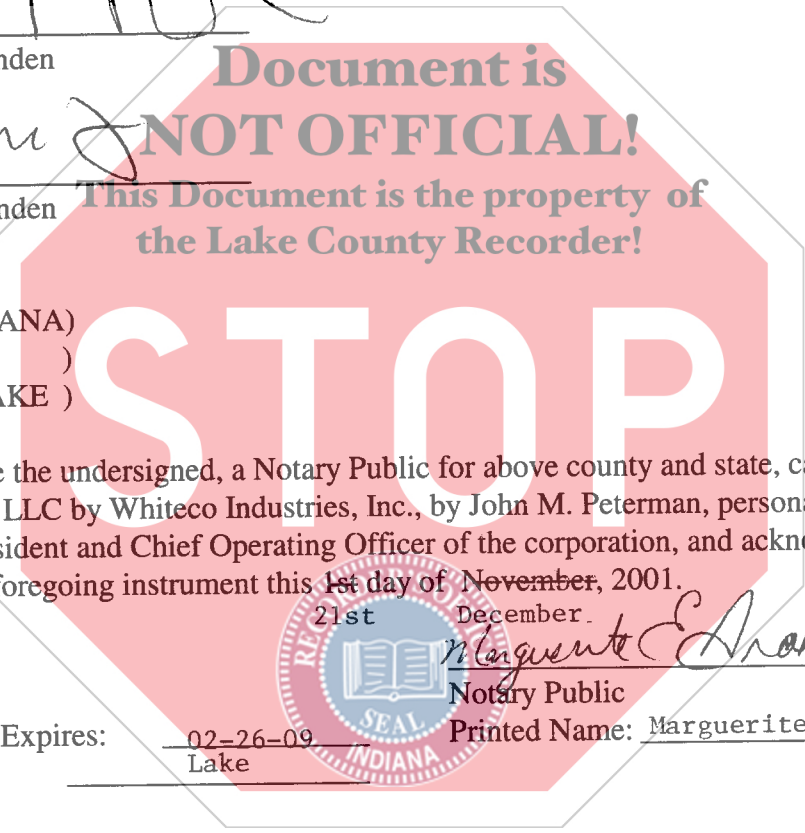
By: Whiteco Industries, Inc.
Managing Member

By: 
John M. Peterman, President
and Chief Operating Officer

Agreed and Acknowledged:

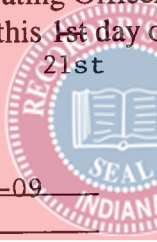


William D. McLinden


William N. McLinden



STATE OF INDIANA)
)
COUNTY OF LAKE)

Before me the undersigned, a Notary Public for above county and state, came Merrillville Corporate Lakes, LLC by Whiteco Industries, Inc., by John M. Peterman, personally known to me to be the President and Chief Operating Officer of the corporation, and acknowledged the execution of the foregoing instrument this 1st day of November, 2001.

21st December


Notary Public
Printed Name: Marguerite E. Drake

My Commission Expires: 02-26-09
Resident County: Lake

3394:515:111501

This instrument prepared and when recorded should be returned to, Carol Ann Bowman, Attorney at Law, 1000 East 80th Place, Suite 700 North, Merrillville, Indiana 46410.

LEGAL DESCRIPTION

Lot 1, Holiday Plaza Unit 6, In the Town of Merrillville, as per plat thereof, recorded in Plat Book 79 page 72, in the Office of the Recorder of Lake County, Indiana.

