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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2002 071063

MORTGAGE
(Borrower/Mortgagor)

✓ 2002 AUG -7 AM 11:50

National City Bank of Indiana
310 W. McCOY
Mishawaka, Indiana 46545

THIS INDENTURE WITNESSETH, that Luxor Homes, Inc., an Indiana corporation, (singly or jointly the "Mortgagor") whose address is 8502 Doubletree Dr. S., Crown Point, IN 46307, hereby MORTGAGES and WARRANTS to NATIONAL CITY BANK OF INDIANA ("Mortgagee") the following described real estate located in Lake County, Indiana; with a common address of 561 Iowa Dr., Lowell; and with a

Legal Description as follows:

Lot 18, in Deere Acres Subdivision, an Addition to the Town of Lowell, as per plat thereof, recorded in Plat Book 84, page 15, in the Office of the Recorder of Lake County, Indiana..

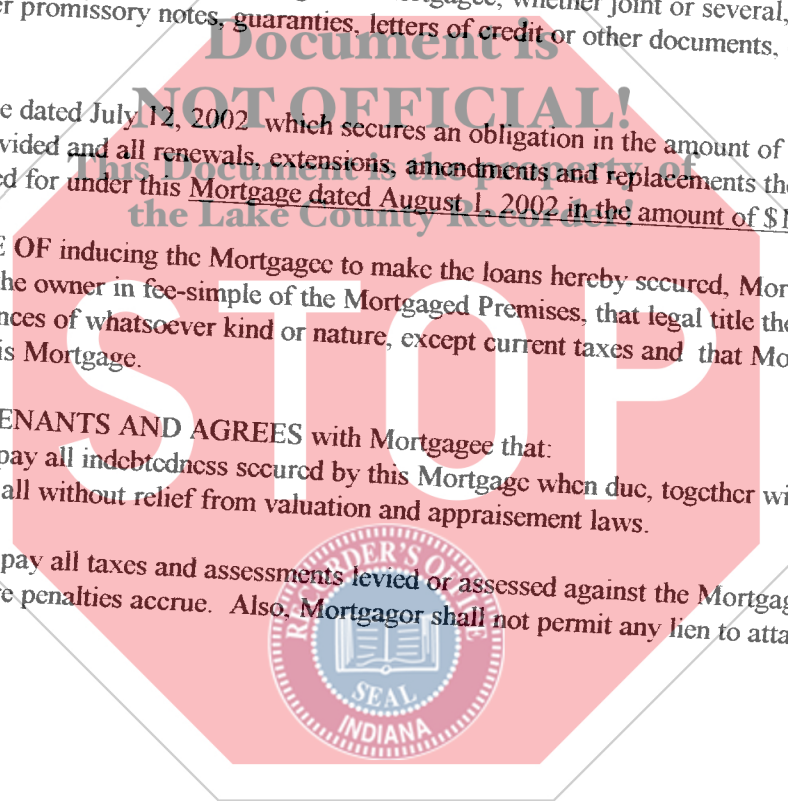
together with all rights, privileges, interest, easements, improvements and fixtures, now or hereafter located upon or appertaining to such real estate (collectively referred to as the "Mortgaged Premises"), and all leases, rents, issues, income and profits thereof, to secure all obligations of Mortgagor to Mortgagee, whether joint or several, evidenced by the following documents (whether promissory notes, guaranties, letters of credit or other documents, collectively the "Loan Documents"):

a Commercial Time Note dated July 12, 2002 which secures an obligation in the amount of \$2,000,000.00; with terms of payment as provided and all renewals, extensions, amendments and replacements thereof, together with all other obligations provided for under this Mortgage dated August 1, 2002 in the amount of \$143,182.00.

FOR THE PURPOSE OF inducing the Mortgagee to make the loans hereby secured, Mortgagor represents to Mortgagee that Mortgagor is the owner in fee-simple of the Mortgaged Premises, that legal title thereto is free and clear from all other liens, encumbrances of whatsoever kind or nature, except current taxes and that Mortgagor has the capacity and the authority to execute this Mortgage.

MORTGAGOR COVENANTS AND AGREES with Mortgagee that:

- FIRST. Mortgagor will pay all indebtedness secured by this Mortgage when due, together with costs of collection and reasonable attorneys' fees, all without relief from valuation and appraisal laws.
- SECOND. Mortgagor shall pay all taxes and assessments levied or assessed against the Mortgaged Premises or any part thereof when due and before penalties accrue. Also, Mortgagor shall not permit any lien to attach to the



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Mortgaged Premises or any part thereof or further encumber the Mortgaged Premises without Mortgagee's prior written consent.

THIRD. Mortgagor shall keep the Mortgaged Premises in good repair at all times and shall not commit or allow the commission of waste thereon. Mortgagors shall procure and maintain in effect at all times hazard (fire and extended coverage) insurance in an amount which is at least equal to the total amount of indebtedness secured hereby or the replacement value of the Mortgaged Premises, if greater, such insurance to be in amounts and with companies acceptable to Mortgagee and with a standard Mortgagee endorsement in favor of Mortgagee.

FOURTH. Mortgagee may, at its option and from time to time, pay all sums of money which in its judgment may be necessary to perfect or preserve the security intended to be given by this Mortgage. Such sums may include, but are not limited to, insurance premiums, taxes, assessments and liens which may be or become a lien upon the Mortgaged Premises or any part thereof and all costs, expenses and attorneys' fees incurred. All sums of money so paid shall be and become a part of the mortgage debt secured hereby and payable forthwith at the same rate of interest that is disclosed in the Loan Documents and the Mortgagee shall be subrogated to any lien so paid by it.

FIFTH. Upon any default by Mortgagor under this Mortgage or under the terms of the Loan Documents secured by 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, the entire indebtedness secured hereby shall, at the option of Mortgagee and without notice or demand, become immediately due and payable and this Mortgage may be foreclosed accordingly. Upon foreclosure, Mortgagee may take possession of the Mortgaged Premises to collect any rents, issues, income or profits and apply the same to the payment of indebtedness secured hereby or leave a receiver appointed to take possession of the Mortgaged Premises and collect all rents, issues, income or profits, during the period of foreclosure and redemption. In the event of foreclosure, Mortgagee may continue the abstract of title to the Mortgaged Premises, or obtain other appropriate evidence of title or title insurance, and the cost thereof shall be added to the unpaid principal balance secured by this Mortgage. All rights and remedies of Mortgagee hereunder are cumulative and are in addition and not in limitation of any rights or remedies which Mortgagee may otherwise have by law. No waiver of any default or failure or delay to exercise any right or remedy by Mortgagee shall operate as a waiver of any other default or of the same default in the future or as a waiver of any right or remedy with respect to the same or any other occurrence.

SIXTH. If Mortgagor shall encumber, sell, assign or otherwise transfer ownership of or any interest in the Mortgaged Premises or any part thereof without prior written consent of Mortgagee, all indebtedness secured by this Mortgage shall, at the option of Mortgagee and without notice or demand, become immediately due and payable.

SEVENTH. That it is contemplated that the Mortgagee may make future advances or additional loans to the Mortgagor, whether joint or several, in which event this Mortgage shall secure the payment of any and all future advances and of any additional loans provided that at no time shall the maximum amount secured by this Mortgage exceed the sum of \$143,182.00 and provided further that such future advances are equally secured and to the same extent and priority as the amount originally advanced on the security of this Mortgage. The Mortgagee, at its option, may accept a renewal note, or replacement Loan Documents, at any time for any portion of the Obligations hereby secured and may extend the time for the payment of any part of said indebtedness without affecting the security of this Mortgage in any manner.

EIGHTH. As used in this Mortgage the following capitalized terms shall be defined as follows: "*Environmental Law*" means the Clean Air Act (42 USC 7401 et seq.), Comprehensive Environmental Response, Compensation, and Liability Act (42 USC 9601 et seq.), the Hazardous Material Transportation Act (49 USC 1801 et seq.), the Resource Conservation and Recovery Act (42 USC 6901 et seq.), the Federal Water Pollution Control Act (33 USC 1251 et seq.), the Toxic Substances Control Act (15 USC 2601 et seq.) and the Occupational Safety and Health Act (29 USC 651 et seq.), as such laws have been or hereafter may be amended, and the regulations promulgated pursuant thereto, and any and all

similar present or future federal, state, or local laws and the regulations promulgated pursuant thereto; "Hazardous Material" means any chemical, material, or substance which could be detrimental to animal health, human health, vegetation, the environment, or the Mortgaged Premises which is, or the disposal, manufacture, Release, storage, or transport of which is, or exposure to which is, prohibited, restricted, or otherwise regulated under any Environmental Law; "Release" means any deposit, discharge, dispersal, disposal, emission, injection, leaching, leaking, migration, transport, or other movement through any medium, whether indoor or outdoor, whether ambient air, ground water, surface water, soil, or subsurface strata.

The Mortgaged Premises are in compliance with all requirements imposed by law, whether federal, state, or local, including without limitation, all Environmental Laws, and all zoning ordinances. Mortgagor will, and will cause all other persons, if any, operating or in possession of the Mortgaged Premises to, comply at all times and in all respects with all laws, and occupy, operate, and use the Mortgaged Premises in compliance with all Environmental Laws and all zoning ordinances.

Mortgagor will indemnify and hold harmless the Mortgagee, its shareholders, directors, officers, employees, agents, and independent contractors, and their respective successors and assigns, from and against any and all liabilities and any and all fees, costs, and expenses (including, without limitation, the costs and expenses of an environmental assessment of the Mortgaged Premises, and all fees and disbursements of legal counsel) arising out of or in connection with any breach of any representation or warranty contained in this Mortgage, or any failure to perform or observe any agreement contained in this Mortgage, or the existence of any Hazardous Material upon or within, or the Release of any Hazardous Material from, upon, or within, the Mortgaged Premises or any part thereof and, in connection therewith, any clean-up or other remediation under any Environmental Law.

NINTH. All rights and obligations of Mortgagor hereunder shall be binding upon their respective successors, assigns and legal representatives and shall inure to the benefit of Mortgagee and its successors and assigns.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage on this 1st day of August, 2002.
"MORTGAGOR" (Business Entity)
LUXOR HOMES, INC., An Indiana corporation

By: Randolph A. Hall
Randolph A. Hall, President

State of Indiana)
) SS: (For a Business Entity)
County of Lake)

Before me, the undersigned, a Notary Public, in and for said County and State, this 1st day of August, 2002, personally appeared Randolph A. Hall, as President of Luxor Homes, Inc., an Indiana corporation, and acknowledged the execution of this Mortgage to be his voluntary act and deed on behalf of said entity.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.

My commission expires: 8/16/09

Residing in said county: Newton

This instrument prepared by Sara Millspaugh for Chad Glassburn of National City Bank of Indiana.
Return to: Sara Millspaugh of National City Bank of Indiana, 110 W Berry St, Ste 2400, Ft. Wayne, IN 46802

Lori Poppen
LORI POPPEN, Notary Public

