

REAL ESTATE MORTGAGE

2008 OCT 15 728

THIS INDENTURE WITNESSETH, that TRAM DEVELOPMENT, INC., (the "Mortgagor") of Lake County, State of Indiana, MORTGAGE AND WARRANT to MERRILLVILLE ROAD LIMITED PARTNERSHIP, a limited partnership existing under the laws of the state of Illinois (the "Mortgagee") of Cook County, State of Illinois, the following described real estate in Lake County, Indiana:

SEE ATTACHED SHEET

(commonly known as Sedona Addition, Unit 3, a Planned Unit Development to the Town of Merrillville, Lake County, Indiana, with no further common address listed);

(hereinafter referred to as the "Mortgaged Premises") together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures and improvements now or hereafter belonging, appertaining, attached to, or used to connection with, the Mortgaged Premises, and all the rents, issues, income and profits thereof.

This Mortgage is given to secure the performance of the provisions hereof and the payment of a certain promissory note ("Note") dated even date herewith, in the principal amount of One Hundred Eighty-Eight Thousand (\$188,000.00) Dollars with interest as therein provided and payable as set forth therein.

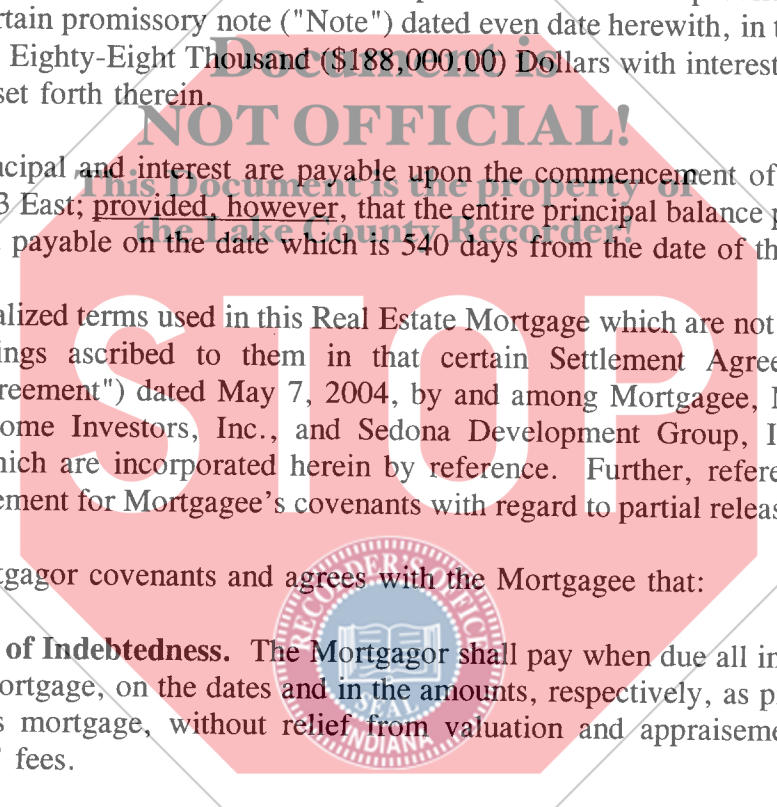
Said principal and interest are payable upon the commencement of improvement work on Sedona Unit 3 East; provided, however, that the entire principal balance plus accrued interest shall be due and payable on the date which is 540 days from the date of this Mortgage.

All capitalized terms used in this Real Estate Mortgage which are not defined herein shall have the meanings ascribed to them in that certain Settlement Agreement and Release ("Settlement Agreement") dated May 7, 2004, by and among Mortgagee, Mortgagor, Richard C. Wolf, IN Home Investors, Inc., and Sedona Development Group, Inc., the terms and conditions of which are incorporated herein by reference. Further, reference is made to the Settlement Agreement for Mortgagee's covenants with regard to partial release of this Mortgage.

The Mortgagor covenants and agrees with the Mortgagee that:

1. **Payment of Indebtedness.** The Mortgagor shall pay when due all indebtedness secured by this mortgage, on the dates and in the amounts, respectively, as provided in the Note or in this mortgage, without relief from valuation and appraisal laws, and with attorneys' fees.
2. **No Liens.** The Mortgagor shall not permit any lien of mechanics or materialmen attach to and remain on the Mortgaged Premises or any part thereof for more than 45 days after receiving notice thereof from the mortgagee.
3. **Repair of Mortgaged Premises Insurance.** The Mortgagor shall keep the Mortgaged Premises in good repair and shall not commit waste thereon. The Mortgagor shall procure and maintain in effect at all times adequate insurance in insurance companies acceptable to the Mortgagee against loss, damage to or destruction of the Mortgaged Premises because of fire, windstorm or other such hazards in such amounts as the Mortgagee may reasonably require from time to time, and all such insurance policies shall contain proper clauses making all proceeds of such policies payable to the Mortgagee and the Mortgagor as their respective interests may appear. All such policies of insurance shall be delivered to and retained by the Mortgagee until the indebtedness secured hereby is fully paid.
4. **Taxes and Assessments.** The Mortgagor shall pay all taxes or assessments levied or assessed against the Mortgaged Premises, or any part thereof, as and when the same become due and before penalties accrue.
5. **Advancements to Protect Security.** The Mortgagee may, at its option, advance and pay all sums necessary to protect and preserve the security intended to be give by this mortgage. All sums so advanced and paid by the Mortgagee shall become a part of the

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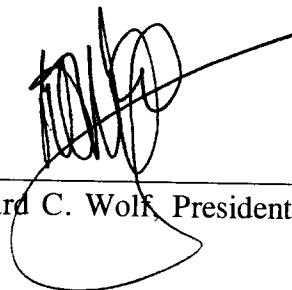
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indebtedness secured hereby and shall bear interest from the date or dates of payment at the rate of twelve per cent (12%) per annum. Such sums may include, but are not limited to, insurance premiums, taxes assessments and liens which may be or become prior and senior to this mortgage as a lien on the Mortgaged Premises, or any part thereof, and all costs, expenses and attorney's fees incurred by the Mortgagee in respect of any and all legal or equitable proceedings which relate to this mortgage or the Mortgaged Premises.

6. **Default by Mortgagor; Remedies of Mortgagee.** Upon default by the Mortgagor in any payment provided for herein or in the Note, or in the performance of any covenant or agreement of the Mortgagor hereunder, or if the Mortgagor shall abandon the Mortgaged Premises, or if a trustee or receiver shall be appointed for the Mortgagor or for any part of the Mortgaged premises, except if said trustee or receiver is appointed in any bankruptcy action, then and in any such event, the entire indebtedness secured hereby shall become immediately due and payable at the option of the Mortgagee, without notice, and this mortgage may be foreclosed accordingly. Upon such foreclosure the Mortgagee may continue the abstract of title to the Mortgaged Premises, or obtain other appropriate title evidence, and may add the cost thereof to the principal balance due.
7. **Non-Waiver; Remedies Cumulative.** No delay by the Mortgagee in the exercise of any of its rights hereunder shall preclude the exercise thereof so long as the Mortgagor is in default hereunder, and no failure of the Mortgagee to exercise any of its rights hereunder shall preclude the exercise thereof in the event of a subsequent default by the Mortgagor hereunder. The Mortgagee may enforce any one or more of his rights or remedies hereunder successively or concurrently.
8. **Extensions; Reduction; Renewals; Continued Liability of Mortgagor.** The Mortgagee at its option, may extend the time for the payment of the indebtedness, or reduce the payments thereon, or accept a renewal note or notes thereof, without consent of any junior lien holder, and without the consent of the Mortgagor if the Mortgagor has then parted with title to the Mortgaged Premises. No such extension, reduction or renewal shall effect the priority of this mortgage or impair the security hereof in any manner whatsoever, or release, discharge or effect in any manner the personal liability of the Mortgagor to the Mortgagee.
9. **General Agreement of Parties.** All rights and obligations hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of the parties to this mortgage. 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 titles 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, the Mortgagor has executed this Mortgage, this 28th day of May, 2004.

TRAM DEVELOPMENT GROUP, INC., a Indiana corporation



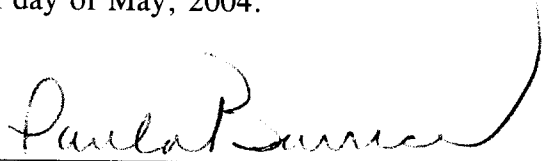
By: Richard C. Wolf, President

STATE OF INDIANA)
) SS:
COUNTY OF PORTER)

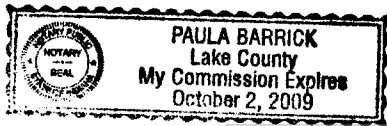
Before me, a Notary Public in and for said County and State, personally appeared Richard C. Wolf, etc. who acknowledged the execution of the foregoing Mortgage.

Witness my hand and Notarial Seal this 28th day of May, 2004.

MY COMMISSION EXPIRES:
10-02-09



PAULA BARRICK, Notary Public
Resident County: LAKE



This Instrument Prepared By
and Returnable After
Recording to:

Margaret A. Williford, Esq.
HANDLON & HANDLON
Attorneys and Counselors at Law
3207 Willowcreek Road, Suite A
Portage, Indiana 46368
(219) 763-7413

EXHIBIT A

Legal Description
Sedona Unit 3 East

Part of the Southwest Quarter of Section 21, Township 35 North, Range 8 West of the Second Principal Meridian, more particularly described as follows: Commencing at the Southwest corner of said Southwest Quarter; thence North 00 01'27" West, along the West line of said Southwest Quarter, a distance of 1323.13 feet to the Northwest corner of the Southwest Quarter of the Southwest Quarter of said Section 21; thence South 89 08'13" East, along the North line of said Southwest Quarter of the Southwest Quarter, a distance of 795.10 feet to the point of beginning; thence continuing South 89 08'13" East, along the North line of said Southwest Quarter of the Southwest Quarter, a distance of 531.20 feet; thence South 00 09'16" West, along the East line of said Southwest Quarter of the Southwest Quarter, a distance of 901.89 feet to the Northeast corner of Lot 306 in Sedona Addition, Unit 3A to the Town of Merrillville, Lake County, Indiana as recorded in Plat Book 92, page 58 in the Office of the Recorder of Lake County, Indiana; thence North 89 50'44" West, along the North boundary line of said Sedona Addition, Unit 3A, a distance of 332.83 feet; thence North 00 09'16" East, a distance of 589.58 feet; thence South 89 58'33" West, a distance of 202.61 feet; thence North 00 01'27" West, a distance of 125.00 feet; thence North 89 58'33" East, a distance of 5.28 feet; thence North 00 01'27" West, a distance of 194.52 feet to the point of beginning, containing 8.366 acres, more or less, all in the Town of Merrillville, Lake County, Indiana.

