

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

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MORRIS W. CARTER
RECORDER

620040643

**COLLATERAL ASSIGNMENT OF INTEREST
IN REAL ESTATE LEASE**

For value received, Mitre Kutanovski, Dragan Kutanovski and Paul Kutanovski with offices at 11057 State Street, Crown Point, IN 46307 (hereinafter "ASSIGNOR"), do hereby assign as collateral all of ASSIGNOR's right, title and interest and further do hereby grant and transfer a security interest to Mercantile National Bank of Indiana, with offices at 5243 Hohman Avenue, Hammond, IN 46320 (hereinafter "ASSIGNEE"), in the following lease of real estate as described below as security for a certain indebtedness by ASSIGNOR to ASSIGNEE in the principal sum of \$1,131,483.00 plus interest as evidenced by a certain note dated June 8th, 2004.

This Assignment and security interest is also given to secure any and all other indebtedness or obligations of ASSIGNOR (DEBTOR) to ASSIGNEE, whether now existing or hereafter created, and any future advances, and whether said debt is primary or secondary, joint or several, fixed or contingent, of a different class or secured by other collateral, and any renewals, extensions, rewrites, refinances, modifications, consolidations and replacements thereof, or substitutions therefor.

The leases which are the collateral and in which the security interest is granted, are those certain leases dated March 1, 2002 and September 15, 2002, between Mitre Kutanovski, Dragan Kutanovski and Paul Kutanovski, ASSIGNOR, as lessor pursuant to an assignment of lease and Gard Incorporated and Two Bird Enterprises, Inc., as individual lessees, for the lease of the following described real estate located in Lake County, Indiana, to-wit:

SEE ATTACHMENT FOR LEGAL:

By accepting this collateral assignment, ASSIGNEE does not assume in any way the duties and obligations of the ASSIGNOR under said lease; and this collateral assignment does not release or discharge ASSIGNOR from any obligations to fulfill the terms and conditions thereof.

Dated: June 8th, 2004.

ASSIGNOR:

Mitre Kutanovski
Mitre Kutanovski

Dragan Kutanovski
Dragan Kutanovski

Paul Kutanovski
Paul Kutanovski

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

On this 8th day of June, 2004, before me the undersigned, a Notary Public for said State and County, personally appeared Mitre Kutanovski, Dragan Kutanovski and Paul Kutanovski, personally known to me, and acknowledged execution of the foregoing Collateral Assignment to be their free act and deed.

Witness my hand and official seal.

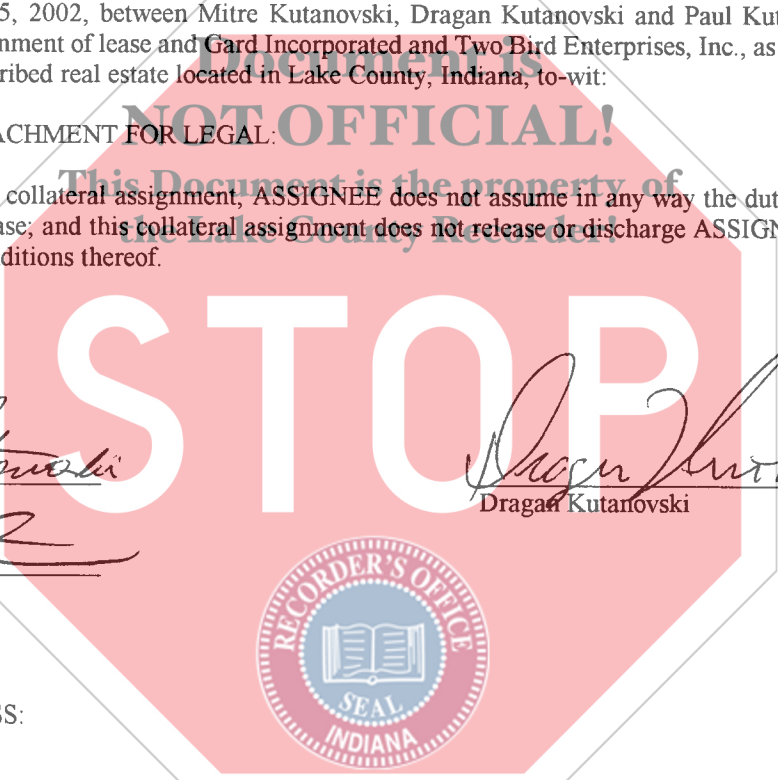
Cynthia E. Colvin
NOTARY PUBLIC Cynthia E. Colvin

My Commission Expires: 11-30-09

County of Residence: Porter

This instrument prepared by John N. Novosel as Asst. Vice President
of Mercantile National Bank of Indiana
7701 Broadway, Merrillville, IN 46410

Chicago Title Insurance Company



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ADC

ATTACHED LEGAL

PARCEL 1:

Part of the Southeast 1/4 of Section 32, Township 35 North, Range 8 West of the 2nd Principal Meridian, in Lake County, Indiana, described as follows: Beginning on the West line of said Southeast 1/4 and 632.7 feet North of the Southwest corner of said Southeast 1/4; thence East 237 feet; thence South 60 feet; thence East 655.62 feet; thence North 160 feet; thence West 892.62 feet to a point on the West line of said Southeast 1/4 which is 100 feet North of the place of beginning; thence South to the place of beginning.

PARCEL 2:

Part of the Southeast 1/4 of Section 32, Township 35 North, Range 8 West of the 2nd Principal Meridian, in Lake County, Indiana, more particularly described as follows: Beginning on the West line of said Southeast 1/4 and 572.7 feet North of the Southwest corner of the Southeast 1/4 of said Section 32, thence East 237 feet, thence North 60 feet, thence West parallel with the South line 237 feet to the West line of said Quarter Section; thence South along said line 60 feet to the point of beginning.

PARCEL 3:

Part of the Southeast 1/4 of Section 32, Township 35 North, Range 8 West of the 2nd Principal Meridian, in Lake County, Indiana, described as beginning at a point which is 732.7 feet North and 200 feet East of the Southwest corner of the Southeast 1/4 of Section 32, thence East 692.62 feet, thence North 80 feet, thence West 692.62 feet, thence South 80 feet to the point of beginning.

PARCEL 4:

Part of the Southeast 1/4 of Section 32, Township 35 North, Range 8 West of the 2nd Principal Meridian, in Lake County, Indiana, described as follows: Beginning on the West line of said Southeast 1/4 and 732.7 feet North of the Southwest corner of said Southeast 1/4, running thence East 200 feet; thence North 80 feet; thence West 200 feet; thence South 80 feet to the point of beginning.

