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AND UPON RECORDATION RETURN TO:

Steve Fister  
Law Offices of Victor J. Cacciatore  
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2006 083875

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2006 SEP 25 PM 12: 09

MICHAEL A. BROWN  
RECORDER

660001710

(Space Above For Recorder's Use)

JOE MUROVIC II AND SUSAN MUROVIC, as Borrower,

to

GREENPOINT MORTGAGE FUNDING, INC., as Lender

"I affirm, under the penalties for perjury, that  
I have taken reasonable care to redact each  
social security number in this document,  
unless required by law." *Spigel*

Document is  
ASSIGNMENT  
OF LEASES AND RENTS  
NOT OFFICIAL!

This Document is the property of  
the Lake County Recorder!

Dated: As of August 31, 2006

Property Address: 9236 Erie Street, Highland, Indiana 46322

Tax Unit No: 16

Key No: 27-144-13

County: Lake

Loan No.: 0203082243

Stewart Title Services  
of Northwest Indiana  
The Pointe  
5521 W. Lincoln Hwy.  
Crown Point, IN 46307



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of Northwest Indiana  
The Pointe  
5521 W. Lincoln Hwy.  
Crown Point, IN 46307

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social security number in this document,  
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\$48  
STS  
CA

Mtg 2006-083874

THIS ASSIGNMENT OF LEASES AND RENTS (this "Assignment") is made as of August 31, 2006, by **JOE MUROVIC II AND SUSAN MUROVIC**, having an address at 9214 Grace Street, Highland, Indiana 46322 ("Borrower"), to **GREENPOINT MORTGAGE FUNDING, INC.**, a New York corporation, having an address at P.O. Box 80747, Atlanta, Georgia 30366 ("Lender").

WITNESSETH:

WHEREAS, Lender has agreed to make a loan to Borrower in the aggregate principal amount of **FOUR HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$450,000.00)** (the "Loan") upon, and subject to, the terms and conditions set forth herein and in the other Loan Documents;

WHEREAS, concurrently herewith, Borrower has delivered to Lender its Promissory Note of even date herewith in the amount of the Loan (as the same may hereafter from time to time be modified, amended, replaced, restated, supplemented, renewed, or extended, and any note(s) issued in exchange therefor or in substitution thereof, collectively, the "Note") in evidence of the Loan, with interest from the date hereof at the rates set forth in the Note, such interest and the principal amount thereof to be payable in accordance with the terms and conditions provided in the Note;

WHEREAS, Borrower has delivered that certain, Mortgage, Security Agreement and Fixture Filing (the "Security Instrument"), dated as of the date hereof, to Lender, encumbering Borrower's interest in that certain parcel of land, as more particularly described in Exhibit A attached hereto and made a part hereof, together with the buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter located thereon (collectively, the "Property");

NOW THEREFORE, in consideration of the making of the Loan and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Borrower hereby agrees, covenants, represents and warrants with and to Lender as follows:

**ARTICLE 1 - ASSIGNMENT**

Section 1.1 **PROPERTY ASSIGNED.** Borrower hereby irrevocably, absolutely and unconditionally assigns and grants to Lender all of Borrower's right, title and interest in and to the following property, rights, interests and estates now owned or hereafter acquired by Borrower, whether now owned or hereafter acquired (collectively, the "Assigned Property");

(a) **Leases and Other Agreements.** All existing and future leases and all other agreements, whether or not in writing, affecting the use, enjoyment or occupancy of the Property or any portion thereof now or hereafter made, whether before or after the filing by or against Borrower of any petition for relief under the Bankruptcy Code together with any extension, renewal or replacement of the same (collectively, the "Leases"); this Assignment of all such other present and future Leases being effective without further or supplemental assignment.

(b) **Rents.** All rents, additional rents, revenues, income, issues and profits (including all oil and gas or other mineral royalties and bonuses), deposits, accounts and other benefits arising from the Leases and renewals and replacements thereof or otherwise from the use, enjoyment and occupancy of the Property, and any cash or security deposited in connection therewith, whether paid or accruing before or after the filing by or against Borrower of any petition for relief under the Bankruptcy Code (collectively, the "Rents").

(c) Bankruptcy Claims. All claims and rights (the "Bankruptcy Claims") to the payment of damages and other claims arising from any rejection by a lessee of any Lease under the Bankruptcy Code.

(d) Lease Guaranties. All claims and rights under any and all lease guaranties, letters of credit and any other credit support (individually, a "Lease Guaranty" and collectively, the "Lease Guaranties") given to Borrower by any guarantor in connection with any of the Leases (individually, a "Lease Guarantor" and collectively, the "Lease Guarantors").

(e) Proceeds. All proceeds from any sale or other disposition of the Leases, the Rents, the Lease Guaranties and the Bankruptcy Claims.

(f) Other. All rights, powers, privileges, options and other benefits of Borrower as lessor under the Leases and beneficiary under the Lease Guaranties, including without limitation, the immediate and continuing right to make claim for, receive, collect and apply all Rents payable or receivable under the Leases and all sums payable under the Lease Guaranties or pursuant thereto (and to apply the same to the payment of the Debt), and to do all other things which Borrower or any lessor is or may become entitled to do under the Leases or the Lease Guaranties.

(g) Entry. The right, at Lender's option, upon revocation of the license granted herein, to enter upon the Property in person, by agent or by court-appointed receiver, to collect the Rents and to enforce the Leases.

(h) Power of Attorney. Borrower's irrevocable power of attorney, coupled with an interest, to take any and all of the actions set forth in Section 3.1 of this Assignment and any or all other actions designated by Lender for the proper management and preservation of the Property.

(i) Other Rights and Agreements. Any and all other rights of Borrower in and to the items set forth in subsections (a) through (h) above, and all amendments, modifications, replacements, renewals, extensions, supplements, restatements and substitutions thereof.

## ARTICLE 2 - TERMS OF ASSIGNMENT

Section 2.1 PRESENT ASSIGNMENT AND LICENSE BACK. It is intended by Borrower that this Assignment constitute a present, complete, effective, irrevocable, absolute and unconditional assignment of the Assigned Property, and not an assignment for additional security only. Nevertheless, subject to the terms of this Assignment and the Security Instrument, Lender grants to Borrower a revocable license to collect and receive the Rents and other sums payable pursuant to any of the Assigned Property unless and until there shall be an Event of Default. Borrower shall hold a sufficient portion of the Rents and all sums payable pursuant to any of the Assigned Property in trust for the benefit of Lender to discharge all current sums due on the Debt.

Section 2.2 NOTICE TO LESSEES. Borrower does hereby specifically authorize, instruct and direct each and every present and future tenant, occupant, lessee and licensee of the whole or any part of the Property and all Lease Guarantors to pay over to Lender or to such other party as Lender directs all Rents and all sums payable under the other Assigned Property upon receipt of demand from Lender so to pay the same upon the occurrence of an Event of Default. Borrower hereby agrees that each such present and future tenant, occupant, lessee, licensee and Lease Guarantor may rely upon such written demand from Lender so to pay the Rents and other sums without any inquiry into whether there exists an Event of Default or whether Lender is otherwise entitled to such Rents and other sums. Borrower hereby waives any right, claim or demand which Borrower may have against any present or future tenant,

occupant, lessee, licensee or Lease Guarantor by reason of such payment of Rents and other sums to Lender, and any such payment shall discharge such tenant's, occupant's, lessee's, licensee's or Lease Guarantor's obligation to make such payment to Borrower.

Section 2.3 INCORPORATION BY REFERENCE. All representations, warranties, covenants, conditions and agreements contained in the Note, the Security Instrument and the other Loan Documents, are hereby made a part of this Assignment to the same extent and with the same force as if fully set forth herein.

### ARTICLE 3 - REMEDIES

Section 3.1 REMEDIES OF LENDER. (a) Upon or at any time after the occurrence of an Event of Default, the license granted to Borrower in Section 2.1 of this Assignment automatically shall be revoked, and Lender immediately shall be entitled to possession of all Rents and other sums payable pursuant to any of the Assigned Property, whether or not Lender enters upon or takes control of the Property. In addition, upon or at any time after the occurrence of an Event of Default, without waiving such Event of Default, to the extent permitted by law, without notice and without regard to the adequacy of the security for the Debt, with or without bringing any action or proceeding, either in person or by agent, nominee, attorney or a receiver appointed by a court, at its option Lender may dispossess Borrower and its agents and servants from the Property and exclude Borrower and its agents or servants wholly therefrom, and take possession of the Property and all books, records and accounts relating thereto, without liability for trespass, damages or otherwise. Thereupon, Lender may have, hold, manage, lease and operate the Property on such terms and for such period of time as Lender may deem proper and either with or without taking possession of the Property in its own name, demand, sue for or otherwise collect and receive all Rents and other sums payable pursuant to any of the Assigned Property, including those past due and unpaid, with full power to make from time to time all alterations, renovations, repairs or replacements thereto or thereof as may seem proper to Lender. Lender may apply the Rents and other sums payable pursuant to any of the Assigned Property to the payment of the following in such order and proportion as Lender in its sole discretion may determine: (i) all expenses of managing and securing the Property, including, without limitation, the salaries, fees and wages of a managing agent and such other employees or agents as Lender may deem necessary or desirable, (ii) all expenses of operating and maintaining the Property, including, without limitation, all utility charges, Insurance Premiums, Taxes and Other Charges and any other liens, charges or expenses as Lender may deem necessary or desirable, (iii) the cost of all alterations, renovations, repairs or replacements, (iv) all expenses incident to taking and retaining possession of the Property, including, without limitation, all court costs and reasonable attorneys' fees and disbursements, and (v) the Debt, in such order, priority and proportions as Lender shall deem appropriate in its sole discretion.

(b) In addition, upon the occurrence of an Event of Default, Lender, at its option, may (i) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Property and conduct the business thereat; (ii) complete any construction on the Property in such manner and form as Lender deems advisable; (iii) make alterations, additions, renewals, replacements and improvements to or on the Property; (iv) exercise all rights and powers of Borrower with respect to the Property, whether in the name of Borrower or otherwise, including, without limitation, the right to make, negotiate, execute, cancel, enforce, extend, renew or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents from the Property and all other sums payable pursuant to any of the Assigned Property, (v) require Borrower to pay monthly in advance to Lender, or any receiver appointed to collect the Rents, the fair and reasonable rental value for the use and occupancy of such part of the Property as may be in the possession of Borrower or any Affiliate of Borrower, or (vi) require Borrower to vacate and surrender possession of the Property to Lender or to such receiver and, in default thereof, Borrower may be evicted by summary proceedings or otherwise.

Section 3.2 OTHER REMEDIES. Nothing contained in this Assignment and no act done or omitted by Lender pursuant to the power and rights granted to Lender hereunder shall be deemed to be a waiver by Lender of its rights and remedies under any Loan Document, and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Lender under the terms thereof. The right of Lender to collect the Debt and to enforce any security therefor held by it may be exercised by Lender either prior to, simultaneously with, or subsequent to any action taken by it hereunder. Lender may take or release other security for the payment of the Debt, may release any party primarily or secondarily liable therefor and may apply any other security held by it to the reduction or satisfaction of the Debt without prejudice to any of its rights under this Assignment.

Section 3.3 NON-WAIVER. The exercise by Lender of the option granted it in Section 3.1 of this Assignment and the collection of the Rents and other sums payable pursuant to any of the Assigned Property and the application thereof as herein provided shall not be considered a waiver of any default by Borrower under any Loan Document. The failure of Lender to insist upon strict performance of any term hereof shall not be deemed to be a waiver of any term of this Assignment. Borrower shall not be relieved of Borrower's obligations hereunder by reason of (a) the failure of Lender to comply with any request of Borrower or any other party to take any action to enforce any of the provisions hereof or of any of the Loan Documents, (b) the release, regardless of consideration, of the whole or any part of the Property, or (c) any agreement or stipulation by Lender extending the time of payment or otherwise modifying or supplementing the terms of the Note, this Assignment or the other Loan Documents. The rights of Lender under this Assignment shall be separate, distinct and cumulative and none shall be given effect to the exclusion of the others.

Section 3.4 BANKRUPTCY. (a) Upon or at any time after the occurrence of an Event of Default, Lender shall have the right to proceed in its own name or in the name of Borrower in respect of any claim, suit, action or proceeding relating to the rejection of any Lease, including, without limitation, the right to file and prosecute, to the exclusion of Borrower, any proofs of claim, complaints, motions, applications, notices and other documents, in any case in respect of the lessee under such Lease under the Bankruptcy Code.

(b) If there shall be filed by or against Borrower a petition under the Bankruptcy Code, and Borrower, as lessor under any Lease, shall determine to reject such Lease pursuant to Section 365(a) of the Bankruptcy Code, then Borrower shall give Lender not less than ten (10) days' prior notice of the date on which Borrower shall apply to the bankruptcy court for authority to reject the Lease. Lender shall have the right, but not the obligation, to serve upon Borrower within such ten (10) day period a notice stating that (i) Lender demands that Borrower assume and assign the Lease to Lender pursuant to Section 365 of the Bankruptcy Code, and (ii) Lender covenants to cure or provide adequate assurance of future performance under the Lease. If Lender serves upon Borrower the notice described in the preceding sentence, Borrower shall not seek to reject the Lease and shall comply with the demand provided for in clause (i) of the preceding sentence within thirty (30) days after the notice shall have been given, subject to the performance by Lender of the covenant provided for in clause (ii) of the preceding sentence.

#### ARTICLE 4 - NO LIABILITY, FURTHER ASSURANCES

Section 4.1 NO LIABILITY OF LENDER. This Assignment shall not be construed to bind Lender to the performance of any of the covenants, conditions or provisions contained in any Lease or Lease Guaranty or otherwise impose any obligation upon Lender. Lender shall not be liable to Borrower or any other party for Lender's failure to let the Property after an Event of Default, for any waste committed on the Property by the tenants or any other parties, for any dangerous or defective condition of the Property, including without limitation, the presence of any Hazardous Substances, for

any negligence in the management, upkeep, repair or control of the Property resulting in loss, injury or death to Borrower or any tenant, licensee, employee or stranger, or for any other act or omission of Lender in managing the Property after an Event of Default except to the extent directly caused by the gross negligence or willful misconduct of Lender. Borrower shall, at its sole cost and expense, protect, defend, indemnify, release and hold harmless Lender from and against any and all liability, loss or damage which may or might be incurred under the Assigned Property or under or by reason of this Assignment and from any and all claims and demands whatsoever, including the defense of any such claims or demands which may be asserted against Lender by reason of any alleged obligations and undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases or any Lease Guaranties, except to the extent directly caused by the gross negligence or willful misconduct of Lender. Should Lender incur any such liability, the amount thereof, including costs, expenses and reasonable attorneys' fees, shall be secured by this Assignment, by the Security Instrument and the Other Security Documents, shall become immediately due and payable and shall bear interest at the Default Rate from the date incurred by Lender until paid.

**Section 4.2 NO MORTGAGEE IN POSSESSION.** Nothing herein contained shall be construed as constituting Lender a "mortgagee in possession" in the absence of the taking of actual possession of the Property by Lender. In the exercise of the powers herein granted Lender, no liability shall be asserted or enforced against Lender, all such liability being expressly waived and released by Borrower.

**Section 4.3 FURTHER ASSURANCES.** Borrower will, at the cost of Borrower, and without expense to Lender, do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, assignments, notices of assignments, transfers and assurances as Lender shall, from time to time, require for the better assuring, conveying, assigning, transferring and confirming unto Lender the property and rights hereby assigned or intended now or hereafter so to be, or which Borrower may be or may hereafter become bound to convey or assign to Lender, or for carrying out the intention or facilitating the performance of the terms of this Assignment or for filing, registering or recording this Assignment and, on demand, will execute and deliver and hereby authorizes Lender to execute in the name of Borrower or without the signature of Borrower to the extent Lender may lawfully do so, one or more assignments, financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien and security interest hereof in and upon the Assigned Property. Borrower grants to Lender an irrevocable power of attorney coupled with an interest for the purpose of exercising and perfecting any and all rights and remedies available to Lender at law and in equity, including, without limitation, such rights and remedies available to Lender pursuant to this Section 4.3.

## **ARTICLE 5 - MISCELLANEOUS PROVISIONS**

**Section 5.1 NOTICES.** Any notice, correspondence, demand or other communication shall be in writing and shall be delivered to the parties pursuant to and in accordance with the provisions of the Security Instrument.

**Section 5.2 CONFLICT OF TERMS.** In case of any conflict between the terms of this Assignment and the terms of the Security Instrument, the terms of the Security Instrument shall prevail.

**Section 5.3 CERTAIN DEFINITIONS.** Unless the context clearly indicates a contrary intent or unless otherwise specifically provided herein, and all other capitalized terms used but not otherwise defined herein shall have the meanings provided therefor in the Security Instrument.


**Section 5.4 AUTHORITY.** Borrower (and the undersigned representative of Borrower, if any) represents and warrants that it has full power and authority to execute and deliver this Assignment,

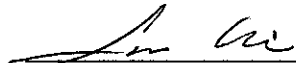
and the execution and delivery of this Assignment has been duly authorized and does not conflict with or constitute a default under any law, judicial order or other agreement affecting Borrower or the Property.

Section 5.5 TERMINATION OF ASSIGNMENT. Upon payment in full of the Debt and the delivery and recording of a satisfaction or discharge of Security Instrument duly executed by Lender, this Assignment shall become and be void and of no effect.

IN WITNESS WHEREOF THIS ASSIGNMENT has been executed by Borrower as of the day and year first above written.

BORROWER:

  
\_\_\_\_\_  
JOE MUROVIC II

  
\_\_\_\_\_  
SUSAN MUROVIC

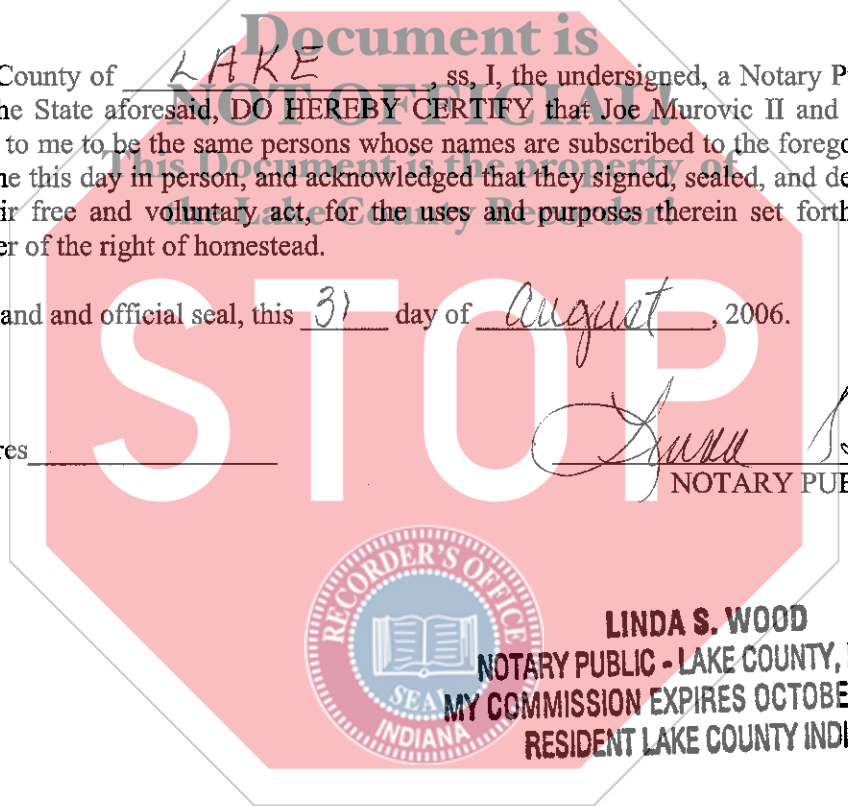
[BORROWER ACKNOWLEDGMENT]

State of Indiana, County of LAKE, ss, I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Joe Murovic II and Susan Murovic personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the releases and waiver of the right of homestead.

Given under my hand and official seal, this 31 day of August, 2006.

Commission expires \_\_\_\_\_

  
\_\_\_\_\_  
NOTARY PUBLIC



**LINDA S. WOOD**  
NOTARY PUBLIC - LAKE COUNTY, INDIANA  
MY COMMISSION EXPIRES OCTOBER 17, 2006  
RESIDENT LAKE COUNTY INDIANA

**EXHIBIT A**

**Description of Land**

Common Address: 9236 Erie Street, Highland, Indiana 46322

Tax Unit No: 16

Key No: 27-144-13

Legal Description: LOT 13 TO 18, BOTH INCLUSIVE, BLOCK 4 IN WICKER BOULEVARD  
ADDITION TO THE TOWN OF HIGHLAND, AS PER PLAT THEREOF  
RECORDED IN PLAT BOOK 16, PAGE 24, IN THE OFFICE OF THE  
RECORDER OF LAKE COUNTY, INDIANA.





**ENVIRONMENTAL INDEMNITY AGREEMENT**

THIS ENVIRONMENTAL INDEMNITY AGREEMENT (this "Agreement"), made as of August 31, 2006, by **JOE MUROVIC II AND SUSAN MUROVIC**, having an address at 9214 Grace Street, Highland, Indiana 46322 ("Borrower"), (Borrower being referred to herein as an "Indemnitor"), in favor of **GREENPOINT MORTGAGE FUNDING, INC.**, a New York corporation, having an address at P.O. Box 80747, Atlanta, Georgia 30366, its successors and assigns ("Lender") and the other Indemnified Parties (as hereinafter defined).

**WITNESSETH:**

WHEREAS, Lender has agreed to make a loan to Borrower in the aggregate principal amount of FOUR HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$450,000.00) (the "Loan");

WHEREAS, concurrently herewith, Borrower has delivered to Lender its Promissory Note of even date herewith in the amount of the Loan (as the same may hereafter from time to time be modified, amended, replaced, restated, supplemented, renewed, or extended, and any note(s) issued in exchange therefor or in substitution thereof, collectively, the "Note") in evidence of the Loan, with interest from the date hereof at the rates set forth in the Note, such interest and the principal amount thereof to be payable in accordance with the terms and conditions provided in the Note;

WHEREAS, Borrower has delivered that certain, Mortgage, Security Agreement and Fixture Filing (the "Security Instrument"), dated as of the date hereof, to Lender, encumbering Borrower's interest in that certain parcel of land situated in the County of Lake, State of Indiana, as more particularly described in Exhibit A attached hereto and made a part hereof, together with the buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and improvements now or hereafter located thereon (collectively, the "Property");

WHEREAS, Lender has required as a condition to making the Loan that Indemnitor, agrees to provide the indemnification, representations, warranties and covenants and other matters described in this Agreement for the benefit of the Indemnified Parties;

WHEREAS, Indemnitor enters into this Agreement to induce Lender to make the Loan.

NOW THEREFORE, in consideration of the making of the Loan and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, Indemnitors, jointly and severally, hereby agree, covenant, represent and warrant for the benefit of the Indemnified Parties as follows:

1. ENVIRONMENTAL REPRESENTATIONS AND WARRANTIES. Indemnitor represents and warrants, based upon a review of the written report(s) resulting from the environmental assessment(s) of the Property delivered to Lender (collectively, the "Environmental Report") and information that any Indemnitor knows or reasonably should have known, that: (a) there are no Hazardous Substances (as hereinafter defined) or underground storage tanks in, on, or under the Property, except those that are both (i) in compliance with Environmental Laws (as hereinafter defined) and, if required, with permits issued pursuant thereto and (ii) either fully disclosed to Lender in writing pursuant to the Environmental Report or are used by Borrower or tenants of the Property in the ordinary course of their business; (b) there are

no past, present or threatened Releases (as hereinafter defined) of Hazardous Substances in, on, under or from the Property except as described in the Environmental Report; (c) there is no threat of any Release of Hazardous Substances migrating to the Property except as described in the Environmental Report; (d) there is no past or present non-compliance with Environmental Laws, or with permits issued pursuant thereto, in connection with the Property except as described in the Environmental Report; (e) Indemnitor does not know of, and has not received, any written or oral notice or other communication from any Person (including, without limitation, a governmental entity) relating to Hazardous Substances or Remediation (as hereinafter defined) thereof, of possible liability of any Person pursuant to any Environmental Law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with any of the foregoing; and (f) Indemnitor has truthfully and fully provided to Lender, in writing, any and all information relating to conditions in, on, under or from the Property that is known to any Indemnitor and that is contained in files and records of any Indemnitor, including, without limitation, any reports relating to Hazardous Substances in, on, under or from the Property and/or to the environmental condition of the Property.

2. ENVIRONMENTAL COVENANTS. Indemnitor covenants and agrees that: (a) all uses and operations on or of the Property, whether by any Indemnitor or any other Person, shall be in compliance with all Environmental Laws and permits issued pursuant thereto; (b) there shall be no Releases of Hazardous Substances in, on, under or from the Property; (c) there shall be no Hazardous Substances in, on, or under the Property, except those that are both (i) in compliance with all Environmental Laws and, if required, with permits issued pursuant thereto, and (ii) fully disclosed to Lender in writing or are used by Borrower or tenants of the Property in the ordinary course of their business; (d) Indemnitor shall keep the Property free and clear of all liens and other encumbrances imposed pursuant to any Environmental Law, whether due to any act or omission of any Indemnitor or any other Person (the "Environmental Liens"); (e) Indemnitor shall, at his, her or its sole cost and expense, perform any environmental site assessment or other investigation of environmental conditions in connection with the Property, pursuant to any reasonable written request of Lender if Lender has reason to suspect that a Release of a Hazardous Substance might have occurred (including, without limitation, sampling, testing and analysis of soil, water, air, building materials and other materials and substances whether solid, liquid or gas), and share with Lender the reports and other results thereof, and Lender and other Indemnified Parties shall be entitled to rely on such reports and other results thereof; (f) Indemnitor shall, at his, her or its sole cost and expense, comply with all reasonable written requests of Lender to (i) reasonably effectuate Remediation of any condition (including, without limitation, a Release of a Hazardous Substance) in, on, under or from the Property; (ii) comply with any Environmental Law; (iii) comply with any directive from any governmental authority; and (iv) take any other reasonable action necessary or appropriate for protection of human health or the environment; (g) Indemnitor shall not do or allow any tenant or other user of the Property to do any act that materially increases the dangers to human health or the environment, poses an unreasonable risk of harm to any Person (whether on or off the Property), impairs or may impair the value of the Property, is contrary to any requirement of any insurer, constitutes a public or private nuisance, constitutes waste, or violates any covenant, condition, agreement or easement applicable to the Property; and (h) Indemnitor immediately upon becoming aware of the same shall notify Lender in writing of (i) any presence or Releases or threatened Releases of Hazardous Substances in, on, under, from or migrating towards the Property; (ii) any non-compliance with any Environmental Laws related in any way to the Property; (iii) any actual or potential Environmental Lien; (iv) any required or proposed Remediation of environmental conditions relating to the Property; and (v) any written or oral notice or other communication of which any Indemnitor becomes aware from any source whatsoever (including, without limitation, a governmental entity) relating in any way to Hazardous Substances or Remediation thereof, possible liability of any Person pursuant to any Environmental Law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with anything referred to in this Agreement.

3. INDEMNIFIED PARTIES' RIGHTS/COOPERATION AND ACCESS. The Indemnified Parties and any other Person designated by the Indemnified Parties (including, without limitation, any receiver, any representative of a governmental entity and any environmental consultant), shall have the right, but not the obligation, to enter upon the Property at all reasonable times to assess any and all aspects of the environmental condition of the Property and its use, including, without limitation, conducting any environmental assessment or audit (the scope of which shall be determined in Lender's sole and absolute discretion) and taking samples of soil, groundwater or other water, air or building materials, and conducting other invasive testing. Borrower shall cooperate with and provide access to the Indemnified Parties and any such Person designated by the Indemnified Parties.

4. INDEMNIFICATION.

(a) Indemnitor shall, at his, her or its sole cost and expense, protect, defend, indemnify, release and hold the Indemnified Parties harmless from and against any and all Losses (as hereinafter defined) and costs of Remediation (whether or not performed voluntarily), engineers' fees, environmental consultants' fees, and costs of investigation (including, without limitation, sampling, testing, and analysis of soil, water, air, building materials and other materials and substances whether solid, liquid or gas) imposed upon or incurred by or asserted against any of the Indemnified Parties and directly or indirectly arising out of or in any way relating to any one or more of the following: (i) any presence of any Hazardous Substances in, on, above, or under the Property; (ii) any past, present or threatened Release of Hazardous Substances in, on, above, under or from the Property; (iii) any activity by any Indemnitor, any Affiliate of any Indemnitor, and any tenant or other user of the Property in connection with any actual, proposed or threatened use, treatment, storage, holding, existence, disposition or other Release, generation, production, manufacturing, processing, refining, control, management, abatement, removal, handling, transfer or transportation to or from the Property of any Hazardous Substances at any time located in, under, on or above the Property; (iv) any activity by any Indemnitor, any Affiliate of any Indemnitor, and any tenant or other user of the Property in connection with any actual or proposed Remediation of any Hazardous Substances at any time located in, under, on or above the Property, whether or not such Remediation is voluntary or pursuant to court or administrative order, including, without limitation, any removal, remedial or corrective action; (v) any past, present or threatened non-compliance or violations of any Environmental Laws (or permits issued pursuant to any Environmental Law) in connection with the Property or operations thereon, including, without limitation, any failure by any Indemnitor, any Affiliate of any Indemnitor, and any tenant or other user of the Property to comply with any order of any governmental authority in connection with any Environmental Laws; (vi) the imposition, recording or filing or the threatened imposition, recording or filing of any Environmental Lien encumbering the Property; (vii) any administrative processes or proceedings or judicial proceedings in any way connected with any matter addressed in this Agreement; (viii) any past, present or threatened injury to, destruction of or loss of natural resources in any way connected with the Property, including, without limitation, costs to investigate and assess such injury, destruction or loss; (ix) any acts of any Indemnitor, any Affiliate of any Indemnitor, and any tenant or other user of the Property in arranging for disposal or treatment, or arranging with a transporter for transport for disposal or treatment, of Hazardous Substances at any facility or incineration vessel containing such or similar Hazardous Substances; (x) any acts of any Indemnitor, any Affiliate of any Indemnitor, and any tenant or other user of the Property in accepting any Hazardous Substances for transport to disposal or treatment facilities, incineration vessels or sites from which there is a Release, or a threatened Release of any Hazardous Substance which causes the incurrence of costs for Remediation; (xi) any personal injury, wrongful death, or property or other damage arising under any statutory or common law or tort law theory, including, without limitation, damages assessed for a private or public nuisance or for

the conducting of an abnormally dangerous activity on or near the Property in connection with Hazardous Substances; and (xii) any material misrepresentation or inaccuracy in any representation or warranty or material breach or failure to perform any covenants or other obligations pursuant to this Agreement in connection with Hazardous Substances.

(b) All Losses shall be immediately reimbursable to the Indemnified Parties when and as incurred and, in the event of any litigation, claim or other proceeding, without any requirement of waiting for the ultimate outcome of such litigation, claim or other proceeding, and Indemnitor shall pay to the Indemnified Parties any and all Losses within ten (10) days after written notice from the Indemnified Parties itemizing the amounts thereof incurred to the date of such notice. In addition to any other remedy available for the failure of Indemnitor periodically to pay such Losses, such Losses, if not paid within said ten (10) day period, shall bear interest at the Default Rate from the date incurred until the date they are paid in full.

(c) Notwithstanding the provisions of Sections 4(a) or 4(b) or of any Loan Document to the contrary, Indemnitor shall have no obligation to indemnify the Indemnified Parties for Losses and costs of Remediation (i) in connection with Hazardous Substances which are initially released or placed on, in or under the Property after the date, if any, upon which Lender (or its designee) takes title to the Property following the occurrence of an Event of Default, or (ii) which result directly and solely from Lender's willful misconduct or gross negligence.

5. DUTY TO DEFEND AND ATTORNEYS AND OTHER FEES AND EXPENSES. Upon written request by any Indemnified Party, Indemnitor shall defend such Indemnified Party (if requested by any Indemnified Party, in the name of the Indemnified Party) by attorneys and other professionals approved by the Indemnified Parties. Notwithstanding the foregoing, any of the Indemnified Parties may, in their sole and absolute discretion, engage their own attorneys and other professionals to defend or assist them at Indemnitor's expense if such Indemnified Party has reason to believe that its interests are not being adequately represented or diverge from other interests being represented by such counsel (but Indemnitor shall be obligated to bear the expense of at most only one such separate counsel), and, at the option of the Indemnified Parties, their attorneys shall control the resolution of any claim or proceeding. Upon demand, Indemnitor shall pay or, in the sole and absolute discretion of the Indemnified Parties, reimburse, the Indemnified Parties for the payment of reasonable fees and disbursements of attorneys, engineers, environmental consultants, laboratories and other professionals in connection therewith. Nothing contained herein shall prevent an Indemnified Party from employing separate counsel in any such action at any time and participating in the defense thereof at its own expense.

6. DEFINITIONS.

Capitalized terms used herein and not specifically defined herein shall have the respective meanings ascribed to such terms in the Security Instrument. As used in this Agreement, the following terms shall have the following meanings:

The term "Environmental Law" means any present and future federal, state and local laws, statutes, ordinances, rules, regulations and the like, as well as common law, relating to protection of human health or the environment, relating to Hazardous Substances, relating to liability for or costs of Remediation or prevention of Releases of Hazardous Substances or relating to liability for or costs of other actual or threatened danger to human health or the environment. "Environmental Law" includes, but is not limited to, the following statutes, as amended, any successor thereto, and any regulations promulgated pursuant thereto, and any state or local statutes, ordinances, rules, regulations and the like addressing similar issues: the Comprehensive Environmental Response, Compensation and Liability Act;

the Emergency Planning and Community Right-to-Know Act; the Hazardous Substances Transportation Act; the Resource Conservation and Recovery Act (including, without limitation, Subtitle I relating to underground storage tanks); the Solid Waste Disposal Act; the Clean Water Act; the Clean Air Act; the Toxic Substances Control Act; the Safe Drinking Water Act; the Occupational Safety and Health Act; the Federal Water Pollution Control Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Endangered Species Act; the National Environmental Policy Act; the River and Harbors Appropriation Act and the Residential Lead-Based Paint Hazard Reduction Act. "Environmental Law" also includes, but is not limited to, any present and future federal, state and local laws, statutes, ordinances, rules, regulations and the like, as well as common law: conditioning transfer of property upon a negative declaration or other approval of a governmental authority of the environmental condition of the property; requiring notification or disclosure of Releases of Hazardous Substances or other environmental condition of the Property to any governmental authority or other Person, whether or not in connection with transfer of title to or interest in property; imposing conditions or requirements in connection with permits or other authorization for lawful activity; relating to nuisance, trespass or other causes of action related to the Property; and relating to wrongful death, personal injury, or property or other damage in connection with any physical condition or use of the Property.

The term "Hazardous Substances" includes but is not limited to any and all substances (whether solid, liquid or gas) defined, listed, or otherwise classified as pollutants, hazardous wastes, hazardous substances, hazardous materials, extremely hazardous wastes, or words of similar meaning or regulatory effect under any present or future Environmental Laws or that may have a negative impact on human health or the environment, including, without limitation, petroleum and petroleum products, asbestos and asbestos-containing materials, polychlorinated biphenyls, lead, materials containing lead-based paint, radon, radioactive materials, flammables and explosives.

The term "Indemnified Parties" includes Lender, any Person who is or will have been involved in the origination of the Loan, any Person who is or will have been involved in the servicing of the Loan, any Person in whose name the encumbrance created by the Security Instrument is or will have been recorded, any Person who may hold or acquire or will have held a full or partial interest in the Loan (including, without limitation, any investor in the Securities (as hereinafter defined) and custodians, trustees and other fiduciaries who hold or have held a full or partial interest in the Loan for the benefit of third parties), as well as the respective directors, officers, shareholders, partners, members, employees, agents, servants, representatives, contractors, subcontractors, affiliates, subsidiaries, participants, successors and assigns of any and all of the foregoing (including, without limitation, any other Person who holds or acquires or will have held a participation or other full or partial interest in the Loan or the Property, whether during the term of the Loan or as a part of or following a foreclosure of the Loan and including, without limitation, any successors by merger, consolidation or acquisition of all or a substantial portion of Lender's assets and business).

The term "Losses" includes any and all losses, damages, costs, fees, expenses, claims, suits, judgments, awards, liabilities (including, without limitation, strict liabilities), obligations, debts, diminutions in value, fines, penalties, charges, costs of Remediation (whether or not performed voluntarily), amounts paid in settlement, foreseeable and unforeseeable consequential damages, litigation costs, attorneys' fees, engineers' fees, environmental consultants' fees, and investigation costs (including, without limitation, costs for sampling, testing and analysis of soil, water, air, building materials, and other materials and substances whether solid, liquid or gas), of whatever kind or nature, and whether or not incurred in connection with any judicial or administrative proceedings, actions, claims, suits, judgments or awards.

The term "Release" with respect to any Hazardous Substance includes but is not limited to any release, deposit, discharge, emission, leaking, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing or other movement of Hazardous Substances.

The term "Remediation" includes but is not limited to any response, remedial, removal, or corrective action, any activity to cleanup, detoxify, decontaminate, contain or otherwise remediate any Hazardous Substance, any actions to prevent, cure or mitigate any Release of any Hazardous Substance, any action to comply with any Environmental Laws or with any permits issued pursuant thereto, any inspection, investigation, study, monitoring, assessment, audit, sampling and testing, laboratory or other analysis, or evaluation relating to any Hazardous Substances or to anything referred to herein.

7. UNIMPAIRED LIABILITY. The liability of Indemnitor under this Agreement shall in no way be limited or impaired by, and Indemnitor hereby consents to and agrees to be bound by, any amendment or modification of the provisions of the Note, the Security Instrument or any other Loan Document to or with Lender by any Indemnitor or any Person who succeeds any Indemnitor or any Person as owner of the Property. In addition, the liability of Indemnitor under this Agreement shall in no way be limited or impaired by (i) any extensions of time for performance required by the Note, the Security Instrument or any of the other Loan Documents, (ii) any sale or transfer of all or part of the Property, (iii) the accuracy or inaccuracy of the representations and warranties made by any Indemnitor under the Note, the Security Instrument or any of the other Loan Documents or herein, (iv) the release of any Indemnitor or any other Person from performance or observance of any of the agreements, covenants, terms or condition contained in any of the Loan Documents by operation of law, Lender's voluntary act or otherwise, (v) the release or substitution in whole or in part of any security for the Note, or (vi) Lender's failure to record the Security Instrument or file any UCC financing statements (or Lender's improper recording or filing of any thereof) or otherwise to perfect, protect, secure or insure any security interest or lien given as security for the Note; and, in any such case, whether with or without notice to Indemnitor and with or without consideration.

8. ENFORCEMENT. The Indemnified Parties may enforce the obligations of Indemnitor without first resorting to or exhausting any security or collateral or without first having recourse to the Note, the Security Instrument or any of the other Loan Documents or any of the Property, through foreclosure proceedings or otherwise; provided, however, that nothing herein shall inhibit or prevent Lender from suing on the Note, foreclosing or exercising any power of sale under the Security Instrument, or exercising any other rights and remedies thereunder. This Agreement is not collateral or security for the Loan, unless Lender expressly elects in writing to make this Agreement additional collateral or security for Loan, which Lender is entitled to do in its sole and absolute discretion. It is not necessary for an Event of Default to have occurred for the Indemnified Parties to exercise their rights pursuant to this Agreement. Indemnitor is fully and personally liable for such obligations, and his, her or its liability is not limited to the original or amortized principal balance of the Loan or the value of the Property.

9. SURVIVAL. Except as expressly set forth in Section 4(c), the obligations and liabilities of Indemnitor under this Agreement shall continue indefinitely in full force and effect and shall survive and in no way be impaired by: any satisfaction or other termination of the Security Instrument, any assignment or other transfer of all or any portion of the Security Instrument or Lender's interest in the Property, any exercise of Lender's rights and remedies pursuant to the Security Instrument or this Agreement, including, without limitation, foreclosure or acceptance of a deed in lieu of foreclosure, any exercise of any rights and remedies pursuant to the Note or any of the other Loan Documents, any transfer of all or any portion of the Property (whether by Borrower or by Lender following foreclosure or acceptance of a deed in lieu of foreclosure or at any other time), any amendment to the Security Instrument, the Note or the other Loan Documents, and any act or omission that might otherwise be

construed as a release or discharge of any Indemnitor from the obligations pursuant hereto, except for an express release delivered by Lender in writing.

10. WAIVERS. To the extent permitted by law, Indemnitor hereby waives, relinquishes and agrees not to assert or take advantage of (a) any right or claim of right to cause a marshalling of any Indemnitor's assets or to cause Lender or the other Indemnified Parties to proceed against any of the security for the Loan before proceeding under this Agreement against any Indemnitor; (b) all rights and remedies accorded by applicable law to Indemnitor, except any rights of subrogation which any Indemnitor may have, provided that the indemnity provided for hereunder shall neither be contingent upon the existence of any such rights of subrogation nor subject to any claims or defenses whatsoever which may be asserted in connection with the enforcement or attempted enforcement of such subrogation rights including, without limitation, any claim that such subrogation rights were abrogated by any acts of Lender or the other Indemnified Parties; (c) notice of acceptance hereof and of any action taken or omitted in reliance hereon; (d) presentment for payment, demand of payment, protest or notice of nonpayment or failure to perform or observe, or other proof, or notice or demand; and (e) all homestead exemption rights against the obligations hereunder and the benefits of any statutes of limitations or repose. Notwithstanding anything to the contrary contained herein, Indemnitor hereby agrees to postpone the exercise of any rights of subrogation with respect to any collateral securing the Loan until the Loan shall have been paid in full.

11. SUBROGATION. Indemnitor shall take any and all reasonable actions, including institution of legal action against third parties, necessary or appropriate to obtain reimbursement, payment or compensation from such Persons responsible for the presence of any Hazardous Substances at, in, on, under or near the Property or otherwise obligated by law to bear the cost. The Indemnified Parties shall be and hereby are subrogated to all of Indemnitor's rights now or hereafter in such claims.

12. INDEMNITOR'S REPRESENTATIONS AND WARRANTIES. The Indemnitor represents and warrants that:

(a) it has the full power and authority to execute and deliver this Agreement and to perform its obligations hereunder; the execution, delivery and performance of this Agreement by Indemnitor has been duly and validly authorized, to the extent required; and all requisite action has been taken by Indemnitor to make this Agreement valid and binding upon Indemnitor, enforceable in accordance with its terms;

(b) to the extent applicable, its execution of, and compliance with, this Agreement is in the ordinary course of business of that Indemnitor and will not result in the breach of any term or provision of the charter, by-laws, partnership, operating or trust agreement, or other governing instrument of that Indemnitor or result in the breach of any term or provision of, or conflict with or constitute a default under or result in the acceleration of any obligation under any agreement, indenture or loan or credit agreement or other instrument to which the Indemnitor or the Property is subject, or result in the violation of any law, rule, regulation, order, judgment or decree to which the Indemnitor or the Property is subject;

(c) there is no action, suit, proceeding or investigation pending or threatened against it which, either in any one instance or in the aggregate, may result in any material adverse change in the business, operations, financial condition, properties or assets of Indemnitor, or in any material impairment of the right or ability of Indemnitor to carry on its business substantially as now conducted, or in any material liability on the part of Indemnitor, or which would draw into question the validity of this Agreement or of any action taken or to be taken in connection with

the obligations of Indemnitator contemplated herein, or which would be likely to impair materially the ability of Indemnitator to perform under the terms of this Agreement;

(d) it does not believe, nor does it have any reason or cause to believe, that it cannot perform each and every covenant contained in this Agreement;

(e) no approval, authorization, order, license or consent of, or registration or filing with, any governmental authority or other Person, and no approval, authorization or consent of any other party is required in connection with this Agreement; and

(f) it has filed all federal, state, county, municipal, and city income and other tax returns required to have been filed by it and has paid all taxes and related liabilities which have become due pursuant to such returns or pursuant to any assessments received by it; it does not know of any basis for any additional assessment in respect of any such taxes and related liabilities for prior years.

13. NOTICE OF LEGAL ACTIONS. Each party hereto shall, within five (5) business days of receipt thereof, give written notice to the other party hereto of (i) any notice, advice or other communication from any governmental entity or any source whatsoever with respect to Hazardous Substances on, from or affecting the Property, and (ii) any claim, suit or proceeding, whether administrative or judicial in nature, brought against such party or related to the Property, with respect to which any Indemnitator may have liability under this Agreement.

14. BOOKS AND RECORDS. Indemnitator shall keep adequate books and records of account in accordance with generally accepted accounting principles ("GAAP"), or in accordance with other methods acceptable to Lender in its sole discretion, consistently applied and furnish to Lender: (i) an annual balance sheet and profit and loss statement of Indemnitator in the form required by Lender, prepared and certified by Indemnitator, within ninety (90) days after the close of each fiscal year of Indemnitator; and (ii) such other financial statements as may, from time to time, be required by Lender.

15. EXAMINATION OF BOOKS AND RECORDS. The Indemnified Parties, their agents, accountants and attorneys shall have the right to examine and audit the records, books, management and other papers of any Indemnitator which reflect upon its financial condition or which pertain to the income, expenses and operation of the Property, at the Property or at any office regularly maintained by such Indemnitator where the books and records are located at all reasonable times and, except during an emergency or following the occurrence and during the continuance of an Event of Default, upon reasonable advance notice (which may, for such purpose alone, be given orally). The Indemnified Parties and their agents shall have the right to make copies and extracts from the foregoing records and other papers. Following the occurrence of an Event of Default, or if Lender has reason to believe that any item furnished under this Section is materially inaccurate or misleading, Lender shall have the right, but not the obligation, to obtain any of the financial statements and other items required to be provided under this Section by means of an audit by an independent certified public accountant selected by Lender, in which event Indemnitators agree to pay, or to reimburse Lender for, any expense of such audit and further agrees to provide all necessary information to said accountant and otherwise to cooperate in the performance of such audit.

16. TRANSFER OF LOAN. Lender may, at any time, sell, transfer or assign the Loan, the Loan Documents, and any or all servicing rights with respect thereto, or grant participations therein or issue mortgage pass-through certificates or other securities evidencing a beneficial interest in a rated or unrated public offering or private placement (the "Securities"). Lender may forward to each purchaser, transferee, assignee, servicer, participant or investor in such Securities or any rating agency rating such




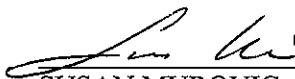
Securities or any prospective investor, all documents and information which Lender now has or may hereafter acquire relating to the Loan and to the Indemnitor and the Property, as Lender determines necessary or desirable. The Indemnitor agrees to cooperate with Lender in connection with any transfer made or any Securities created pursuant to this Section, including, without limitation, the delivery of an estoppel certificate required in accordance with Section 6.3 of the Security Instrument (substituting such Indemnitor for Borrower) and such other documents as may be reasonably requested by Lender.

17. NOTICE. Any notice, correspondence, demand or other communication shall be in writing and shall be delivered to the parties pursuant to and in accordance with the provisions of the Security Instrument.

IN WITNESS WHEREOF, this Agreement has been executed by Indemnitor and is effective as of the day and year first above written.

BORROWER:

  
\_\_\_\_\_  
JOE MUROVIC II


  
\_\_\_\_\_  
SUSAN MUROVIC

**BORROWER ACKNOWLEDGMENT**

State of Indiana, County of Indiana, ss, I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Joe Murovic II and Susan Murovic personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed, and delivered the said instrument as their free and voluntary act, for the uses and purposes therein set forth, including the releases and waiver of the right of homestead.

Given under my hand and official seal, this 31st day of August, 2006.

Commission expires 10-17-2006

  
\_\_\_\_\_  
NOTARY PUBLIC



**LINDA S. WOOD**  
NOTARY PUBLIC - LAKE COUNTY, INDIANA  
MY COMMISSION EXPIRES OCTOBER 17, 2006  
RESIDENT LAKE COUNTY INDIANA

EXHIBIT A

Description of Land

Common Address: 9236 Erie Street, Highland, Indiana 46322

Tax Unit No: 16

Key No: 27-144-13

Legal Description: LOT 13 TO 18, BOTH INCLUSIVE, BLOCK 4 IN WICKER BOULEVARD ADDITION TO THE TOWN OF HIGHLAND, AS PER PLAT THEREOF RECORDED IN PLAT BOOK 16, PAGE 24, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

