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MICHAEL A. BROWN

**Contemporaneous and After Acquired Property Mortgage**

Sergio Garcia and Kerusso Konstruction Kompany, LLC (hereinafter "the Mortgagor") in consideration of Ten Dollars (\$10.00) and for other good and valuable consideration paid in hand, the receipt and sufficiency whereof is hereby acknowledged, by and from Pilgrim Financing, L.L.C., located at 608-165<sup>th</sup> Street, Hammond, IN 46324 and with telephone number (219) 678-4840 and/or its assigns (hereinafter "the Mortgagee and/or its assigns and/or its assigns"), and in order to secure the punctual payment and performance when due of all obligations contained within a Promissory Note dated February 1, 2006 in the amount of FORTY EIGHT THOUSAND FOUR HUNDRED NINE AND 47/100 Dollars (\$48,409.47) and payable Two Hundred Ten (210) days from the date of the Promissory Note (hereinafter "the Note"), the Mortgagor has bargained, sold, aliened, mortgaged, pledged, released, conveyed and confirmed unto Mortgagee and/or its assigns and/or its assigns and its successors hereunder and assigns forever, and does hereby grant to Mortgagee and/or its assigns and/or its assigns and its successors a security interest in and to, all of Mortgagor's right, title and interest in, to and under all of the following described property (hereinafter the "Mortgaged Premises") and the proceeds thereof, to-wit:

All of the Mortgagor's rights, title, interest, privileges and franchises in and to all other property, real, personal or mixed, of every kind and description and wheresoever situated, now owned or which may be hereafter acquired by the Mortgagor, it being the intention hereof that all property, interests, rights, privileges and franchises now owned by the Mortgagor or acquired by the Mortgagor after the date hereof shall be as fully embraced within and subjected to a lien hereof as if such property were specifically described herein together with all rights, privileges, interests, easements, hereditaments, appurtenances, fixtures and improvements now or hereafter belonging, appertaining, attached to, or used in connection with such property and all the rents, issues, income and profits thereof.

The Mortgagor (jointly and severally) covenants and agrees with the Mortgagee and/or its assigns and/or its assigns 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, court costs and collection costs.
- 2. Mortgagor and Mortgage.** The commitments undertaken herein by the undersigned are both joint and several. That is to say, any and all of the property as described above now owned or which may be hereafter acquired by any and all of the undersigned either individually or jointly shall be attached by a mortgage in favor of the Mortgagee and/or its assigns in order to secure the

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punctual payment and performance of the above referenced Promissory Note and any obligations as described below in the Dagnet paragraph.


3. **No Liens.** The Mortgagor shall not permit any lien of mechanics or materialmen to attach to and remain on the Mortgaged Premises or any part thereof for more than 45 days after receiving notice thereof from the Mortgagee and/or its assigns and/or its assigns.
4. **Repair of Mortgaged Premises; Insurance.** The Mortgagor shall keep all Mortgaged Premises in good repair and shall not commit waste thereon. The Mortgagor shall procure and maintain in effect at all times adequate insurance through insurance companies against loss, damage to, or destruction of any and all Mortgaged Premises because of fire, windstorm or other such hazards in such amounts as the Mortgagee and/or its assigns 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/or its assigns and the Mortgagor as their respective interests may appear. In the event of loss, damage to, or destruction of the Mortgaged Premises and at the sole option of the Mortgagee and/or its assigns, the Mortgagee and/or its assigns may elect to apply any insurance proceeds towards the payment of the indebtedness and the Mortgagor shall execute any and all documents necessary for this purpose.
5. **Taxes and Assessments.** The Mortgagor shall pay all taxes or assessments levied or assessed against all Mortgaged Premises, or any part thereof, as and when the same become due and before penalties accrue.
6. **Advancements to Protect Security.** The Mortgagee and/or its assigns may, at his option, advance and pay all sums necessary to protect and preserve the security intended to be given by this mortgage. All sums so advanced and paid by the Mortgagee and/or its assigns shall become a part of the indebtedness secured hereby and shall bear interest from the date or dates of payment at the rate of Thirty-Six per centum (36%) 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 and/or its assigns in respect of any and all legal or equitable proceedings which relate to this mortgage or to the Mortgaged Premises.
7. **Default by Mortgagor; Remedies of Mortgagee and/or its assigns.** 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 and/or its assigns, without notice, and this mortgage may be foreclosed accordingly. Upon such foreclosure the Mortgagee and/or its assigns 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. Further, upon a default by the Mortgagor as described above or upon the mortgage being foreclosed and in

either case at the sole option of the Mortgagee and/or its assigns, Mortgagor agrees to the appointment of a receiver.

8. **Non-Waiver; Remedies Cumulative.** No delay by the Mortgagee and/or its assigns in the exercise of any of his rights hereunder shall preclude the exercise thereof so long as the Mortgagor is in default hereunder, and no failure of the Mortgagee and/or its assigns to exercise any of his rights hereunder shall preclude the exercise thereof in the event of a subsequent default by the Mortgagor hereunder. The Mortgagee and/or its assigns may enforce any one or more of his rights or remedies hereunder successively or concurrently.
9. **Extensions; Reductions; Renewals; Continued Liability of Mortgagor.** The Mortgagee and/or its assigns at his option, may extend the time for the payment of the indebtedness, or reduce the payments thereon, or accept a renewal note or notes therefore, 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 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 the Mortgagor to the Mortgagee and/or its assigns.
10. **Dragnet.** In addition to securing the aforesaid Note, it is the intention of the parties that the security of this Mortgage shall also operate upon pre-existing or subsequently created indebtedness not specifically described in this Mortgage and that this Mortgage shall secure the payment of any other liabilities, joint, several, direct, indirect, or otherwise, that all of the undersigned or any of them may at any time owe to the Mortgagee and/or its assigns under the same terms and conditions as contained herein. This Mortgage shall secure any such indebtedness up to the maximum amount of ten million dollars (\$10,000,000.00).
11. **General Agreement of Parties.** All rights and obligation 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.
12. **Authority to Execute.** The undersigned person(s) executing the mortgage on behalf of Mortgagor represent and certify that they have been fully empowered by the appropriate authorities to execute and deliver the Mortgage and all necessary action for the making of such mortgage has been taken and done.

\*\*\*\*\*SIGNATURE PAGE TO FOLLOW\*\*\*\*\*

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage, this February 1, 2006.

  
\_\_\_\_\_  
Sergio Garcia

Kerusso Konstruction Kompany, LLC

  
\_\_\_\_\_  
Sergio Garcia TITLE: *member*

STATE OF INDIANA            )  
  ) SS:  
COUNTY OF LAKE            )

Before me, a Notary Public, in and for said County and State, personally appeared Sergio Garcia and \_\_\_\_\_ who acknowledged the execution of the foregoing mortgage.

Witness my hand and Notarial Seal this 1st day of January, ~~2005~~ 2006

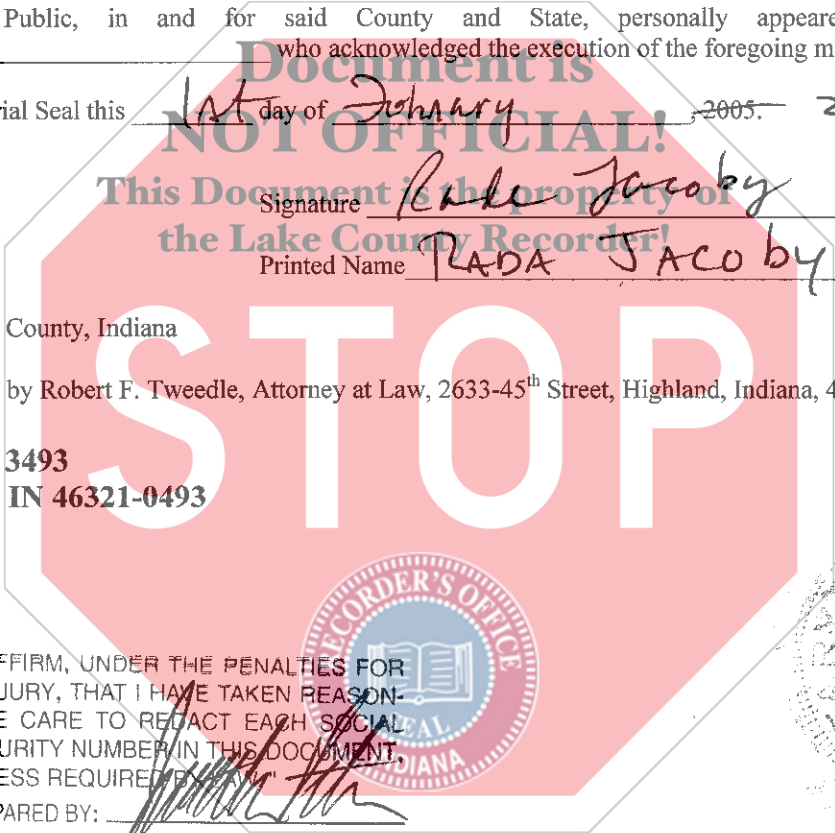
My commission expires:

2/25/2012

Residing in Lake County, Indiana

This instrument was prepared by Robert F. Tweedle, Attorney at Law, 2633-45<sup>th</sup> Street, Highland, Indiana, 46322 (219) 924-0770.

**Return to: P.O. Box 3493  
Munster, IN 46321-0493**



"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."  
PREPARED BY: 