

**MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS
AND LEASES AND FIXTURE FILING**

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This **MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING** (the "Mortgage") is dated for reference purposes only as of February 29, 2008, by **NORTHERN INDIANA METALS, LLC**, an Illinois limited liability company with an address of 2230 Indianapolis Blvd., Whiting, Indiana 46394 (the "Borrower"), for the benefit of **NATIONAL CITY BANK**, a national banking association, with an office at One North Franklin, 20th Floor, Chicago, Illinois 60606 (the "Mortgagee"), as follows:

THIS INSTRUMENT IS A MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND LEASES AND FIXTURE FILING AS DEFINED IN IC 26-1-9.1-102(a)(40) OF THE UNIFORM COMMERCIAL CODE (REVISED) AS IN EFFECT IN INDIANA, COVERING BOTH REAL AND PERSONAL PROPERTY, INCLUDING GOODS THAT ARE OR ARE TO BECOME FIXTURES. IT IS TO BE FILED IN THE REAL ESTATE RECORDS OF LAKE COUNTY, INDIANA, AND UPON SUCH FILING IS EFFECTIVE AS A FIXTURE FILING UNDER THE CODE. THE FIXTURES OR GOODS THAT ARE OR ARE TO BECOME FIXTURES WILL BE SITUATED ON THE REAL PROPERTY DESCRIBED IN EXHIBIT A.

**Borrower's
Jurisdiction of Organization: ILLINOIS
Organizational Identification No: 02105411**

**Document is
NOT OFFICIAL!**

CHICAGO TITLE INSURANCE COMPANY
02105411

2008 017680

SECTION 1
GRANT

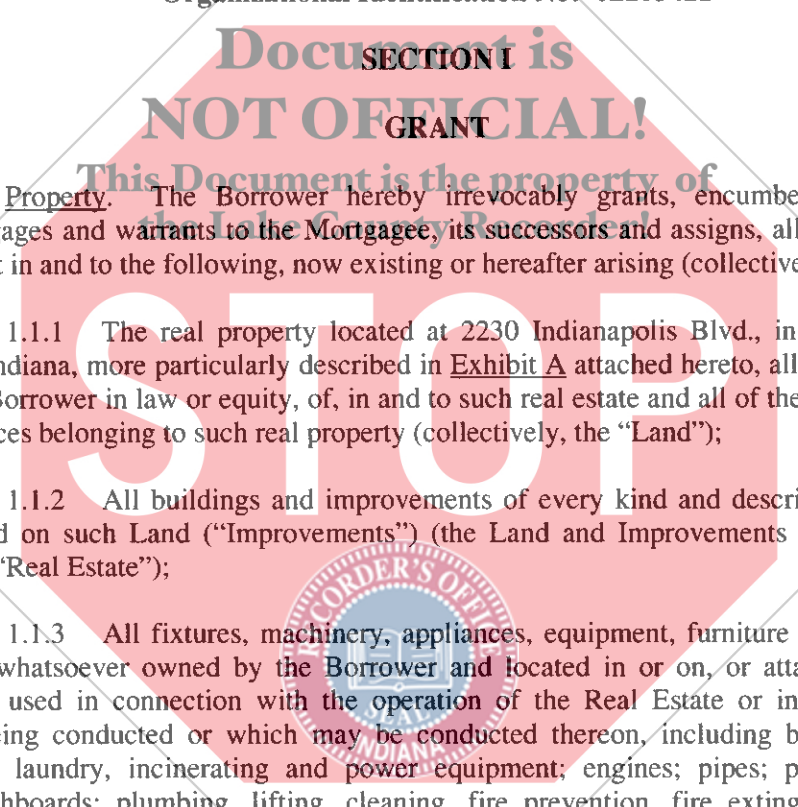
1.1 **Property.** The Borrower hereby irrevocably grants, encumbers, conveys, assigns, transfers, mortgages and warrants to the Mortgagee, its successors and assigns, all of Borrower's estate, title and interest in and to the following, now existing or hereafter arising (collectively, "Property"):

1.1.1 The real property located at 2230 Indianapolis Blvd., in the City of Whiting, Lake County, Indiana, more particularly described in Exhibit A attached hereto, all of the estate, title and interest of the Borrower in law or equity, of, in and to such real estate and all of the privileges, easements and appurtenances belonging to such real property (collectively, the "Land");

1.1.2 All buildings and improvements of every kind and description now existing or hereafter placed on such Land ("Improvements") (the Land and Improvements are referred to herein together as the "Real Estate");

1.1.3 All fixtures, machinery, appliances, equipment, furniture and personal property of every kind whatsoever owned by the Borrower and located in or on, or attached to, and used or intended to be used in connection with the operation of the Real Estate or in connection with any construction being conducted or which may be conducted thereon, including but not limited to any electric, water, laundry, incinerating and power equipment; engines; pipes; pumps; tanks; motors; conduits; switchboards; plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilation and communications apparatus; boilers, ranges, furnaces, oil burners or units thereof; radiators; heaters; appliances; air-cooling and air conditioning apparatus; vacuum cleaning systems; elevators; escalators; shades; awnings, screens, doors, storm doors and windows; stoves; refrigerators; attached cabinets; partitions; ducts and compressors; rugs and carpets; draperies; beds, tables, lamps and all other furniture and furnishings;

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STATE OF INDIANA
CLERK OF SUPERIOR COURT
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1.1.4 All rents, leases, issues and profits arising out of any of the foregoing, including all insurance policies and payments made under insurance policies relating to any of the foregoing, and judgments, awards and settlements resulting from any tort claims for damages to or destruction of any of the foregoing or resulting from any condemnation proceeding or similar taking against the foregoing property under the power of eminent domain;

1.1.5 The Borrower's interest in all contracts for the design, development, construction, management, maintenance or operation of the Real Estate, all licenses and permits therefor, all bonds assuring payments thereunder and all books and records related thereto; and

1.1.6 All extensions, additions, improvements, betterments, renewals, substitutions and replacements to any of the foregoing, and the proceeds of all of the foregoing.

1.1.7 All of the Borrower's right, title and interest in any of the following located in or on, or attached to, and used or intended to be used in connection with the development or operation of the Real Estate or in connection with any construction being conducted or which may be conducted thereon, or arising out of or in connection therewith: (a) All Goods (including all Equipment, Fixtures and Inventory) and all accessions, attachments and other additions to, substitutes for, replacements for, improvements to and returns of such Goods; (b) all General Intangibles (including, without limitation, all Contract Rights, choses in action, causes of action, corporate or other business records, inventions, designs, patents, patent applications, trademarks, trade names, trade secrets, goodwill, copyrights, registrations, licenses, franchises, claims under guaranties, security interests or other security held or granted to secure payment of contracts by account debtors, all rights to indemnification and all other intangible property of every kind and nature); (c) all Accounts, Deposit Accounts, Instruments, Chattel Paper and Documents; and (d) all products and Proceeds of any of the property described above in any form, and all proceeds of such Proceeds, including, without limitation, all cash and credit balances, all payments under any indemnity, warranty or guaranty with respect to any of such property, all awards for taking by eminent domain, all proceeds of fire or other insurance, including any refunds of unearned premiums in connection with any cancellation, adjustment, or termination of any insurance policy, all proceeds obtained as a result of any legal action or proceeding with respect to any of such property, and claims by Borrower against third parties for loss or damage to, or destruction of, any of such property and all supporting obligations relating to any of the property referenced in this Section. Terms used with initial capital letters in this Section 1.1.7 and not otherwise defined in this Mortgage are used with the meanings ascribed to them in Article 9 of the Uniform Commercial Code (Revised) as in effect in Indiana (the "UCC").

1.2 Security. The grant described in Section 1.1, above, to have and to hold the mortgage lien, security interests, and other interests assigned and transferred to the Mortgagee and its successors and assigns, irrevocably, for the uses and purposes of securing the payment of the Indebtedness as defined in Section 2, below, and the performance of all of obligations of the Borrower hereunder, including any and all benefits, rights, powers, and remedies provided for herein and to the full extent available to mortgagees, secured parties, and other creditors under Indiana law.

SECTION 2

INDEBTEDNESS

This Mortgage is made to secure the payment of the following, which is collectively referred to herein as the "Indebtedness": (i) the obligations of Borrower pursuant to that certain Loan and Security Agreement of even date herewith, together with all extensions, renewals, reamortizations, restatements,

modifications and amendments thereof (the "Loan Agreement"); (ii) the obligations of Borrower under (A) that certain Term Note (as such note may be amended and restated, amended, and modified) in the face amount of \$3,000,000 with a maturity date of March 3, 2010, (B) that certain Revolving Note (as such note may be amended and restated, amended, and modified) in the face amount of \$14,000,000 with a maturity date of March 3, 2010, and (C) that certain CapEx note (as such note may be amended and restated, amended, and modified) in the face amount of \$1,000,000 with a maturity date of March 3, 2009; (iii) all other Debt (as defined in the Loan Agreement) of any kind arising under, and all amounts of any kind which at any time become due or owing to Mortgagee by Borrower under or with respect to any Loan Document (as defined in the Loan Agreement); (iv) all of the covenants, obligations and agreements of Borrower or any other Obligor (as defined in the Loan Agreement) in, under or pursuant to any Loan Document; (v) all Obligations, as defined in the Loan Agreement (including without limitation, any protective advance) incurred to perform any obligation of Borrower or any other Obligor or under any Loan Document, or collect any amount owing to Mortgagee; (vi) all fees due and payable by Borrower to Mortgagee, including without limitation, breakage fees, any fee payable on acceleration of the Loan, and the other fees payable pursuant to the terms of this Mortgage; and (vii) interest on all of the foregoing to the extent it accrues under this Mortgage, the Loan Agreement or any other Loan Document, including, without limitation, interest accruing after an Event of Default (as defined below), acceleration and/or judgment at the Default Rate (as defined in the Loan Agreement) and all interest, fees and costs that, but for commencement of an insolvency proceeding, would have accrued. Funds disbursed that, in the reasonable exercise of Mortgagee's judgment, are needed to complete any improvements or to protect Mortgagee's security are to be deemed obligatory advances hereunder and will be added to the total indebtedness evidenced by this Mortgage and secured by the Mortgage and the indebtedness secured hereby shall be increased accordingly.

SECTION 3
REPRESENTATIONS, WARRANTIES AND COVENANTS

Borrower covenants, represents, warrants and agrees with the Mortgagee as follows:

- 3.1 Title. The Borrower is the lawful owner of the fee simple title to the Property, free, clear and unencumbered except as described on Exhibit B hereto (the "Permitted Encumbrances"); the Borrower has good right and full power to convey and encumber the Property and to execute this Mortgage.
- 3.2 Indebtedness. The Borrower will promptly pay, or cause to be paid, the Indebtedness when due in accordance with the terms of the Loan Documents.
- 3.3 Impositions. The Borrower will pay, or cause to be paid, when due:
 - 3.3.1 All of the following (hereinafter collectively called the "Impositions"): all real estate taxes, personal property taxes, assessments, water and sewer rates and charges, and all other governmental levies and charges, of every kind and nature whatsoever, general and special, ordinary and extraordinary, which are assessed, levied, confirmed, imposed or become a lien upon or against the Property or any portion thereof, and all taxes, assessments and charges upon the rents, issues, income or profits of the Property, or which become payable with respect thereto or with respect to the occupancy, use or possession of the Property, whether such taxes, assessments or charges are levied directly or indirectly.

3.3.2 On the first day of each month after demand by Mortgagee following the occurrence and during the continuation of any Event of Default that continues beyond any applicable grace, cure, or notice period, and at the sole discretion of the Mortgagee, a deposit with the Mortgagee equal to one-twelfth of the annual charges, as estimated by the Mortgagee, for the Impositions and premiums for insurance required under Section 3.7 below. Such amount will be held by or on behalf of the Mortgagee and will be applied to pay such Impositions and premiums when the same become due. The Mortgagee will not be required to pay any interest or earnings on such sums. The Borrower hereby pledges all such sums as additional collateral for the Indebtedness. If the amount held by the Mortgagee is not sufficient to pay the Impositions and premiums when due, the Borrower will, promptly upon request of the Mortgagee, pay to the Mortgagee any amount necessary to make up such deficiency.

3.3.3 If the Mortgagee is not establishing an escrow for Impositions, then within twenty (20) days after demand therefor, the Borrower will deliver to the Mortgagee the original, or a photostatic copy, of the official receipt evidencing payment of Impositions or other proof of payment satisfactory to the Mortgagee. Notwithstanding the provisions of Section 3.3.1, any Imposition which is a lien on the Property may be paid in installments provided that each installment is paid on or prior to the date when the same is due without the imposition of any penalty.

3.4 Compliance with Laws. The Borrower will promptly comply or cause compliance with all present and future laws, ordinances, rules, regulations and other requirements of all governmental authorities having or claiming jurisdiction of or with respect to the Property or any portion thereof or the use or occupancy thereof.

3.5 Condition of Property. The Borrower will keep and maintain, or cause to be kept and maintained, the Property (including all improvements thereon and the sidewalks, sewers, and curbs, if any) in good order and condition, normal wear and tear, casualty loss and condemnation excepted, will make or cause to be made, as and when the same becomes necessary, all structural and nonstructural and all ordinary and extraordinary repairs and all maintenance necessary to that end, will suffer no waste to the Property, and will make all repairs and maintenance to the Property in a good and workmanlike manner.

3.6 Improvements. Without the prior written consent of Mortgagee, and subject to the provisions of Section 3.5, the Borrower will not construct, remove or demolish, or suffer or permit others to construct, remove or demolish, any material improvements on the Property, or cause or permit any improvements hereafter constructed (as approved by Mortgagee) to be materially changed or altered, except as required by law or municipal ordinance; and the Borrower will not institute or cause to be instituted any proceedings that could change the permitted use of the Property from the use presently zoned.

3.7 Insurance. The Borrower will keep all improvements now on, or that hereafter may be put upon, the Property, including fixtures and all personal property owned by the Borrower and used in the operation of the Property, insured at all times for the benefit of the Mortgagee and the Borrower, as their respective interests may appear, against loss or damage by fire, and such other risks of damage, hazards, casualties and contingencies and in the manner and form and in the amounts as specified in writing by the Mortgagee from time to time.

3.7.1 Such insurance will be issued by a company or companies and in amounts acceptable to, and in every respect satisfactory to, the Mortgagee and will contain a provision requiring that the coverage evidenced thereby will not be terminated or materially modified without thirty (30) days' prior written notice to the Mortgagee. If the Borrower fails to carry any insurance required to be carried by the Borrower under the terms of this Mortgage, the Mortgagee, at its option, may procure and

maintain such insurance and the Borrower will promptly reimburse the Mortgagee for any premiums paid by the Mortgagee for such insurance. The originals or appropriate certificates of all policies of insurance required to be carried under this Mortgage, bearing notations evidencing the payment of premiums or accompanied by other evidence satisfactory to the Mortgagee of such payment, will be delivered to the Mortgagee concurrently with the execution and delivery hereof. The Borrower will deliver to the Mortgagee a new policy (or certificate, in the case of insurance for which only certificates have been previously furnished) bearing such notation or accompanied by such other evidence as replacement for any existing policy at least thirty (30) days before the date of such expiration. All policies of insurance required by this Section 3.7 will contain a standard mortgagee clause in favor of the Mortgagee and a waiver of insurer's right of subrogation against funds paid under the standard mortgagee endorsement.

3.7.2 In the event of loss, the Borrower shall give prompt notice thereof to the Mortgagee, who, if such loss exceeds the lesser of ten percent (10.00%) of the Indebtedness or One Hundred Thousand and 00/100 Dollars (\$100,000.00) (the "Threshold"), shall have the sole and absolute right to make proof of loss. If such loss exceeds the Threshold or if such loss is equal to or less than the Threshold and the conditions set forth in clauses (i), (ii) and (iii) of the immediately succeeding subsection are not satisfied, then the Mortgagee, solely and directly shall receive such payment for loss from each insurance company concerned. If and only if (i) such loss is equal to or less than the Threshold, (ii) no Event of Default or event that with the passage of time, the giving of notice or both would constitute an Event of Default then exists, (iii) the Mortgagee determines that the work required to complete the repair or restoration of the Premises necessitated by such loss can be completed no later than six (6) months prior to the Maturity Date, and (iv) the total of the insurance proceeds and such additional amounts placed on deposit with the Mortgagee by the Borrower for the specific purpose of rebuilding or restoring the Improvements equals or exceeds, in the reasonable discretion of the Mortgagee, the reasonable costs of such rebuilding or restoration, then the Mortgagee shall endorse to the Borrower any such payment and the Borrower may collect such payment directly. The Mortgagee shall have the right, at its option and in its sole discretion, to apply any insurance proceeds received by the Mortgagee pursuant to the terms of this section, after the payment of all of the Mortgagee's expenses, either (i) on account of the Indebtedness, irrespective of whether such principal balance is then due and payable, whereupon the Mortgagee may declare the whole of the balance of Indebtedness to be due and payable, or (ii) to the restoration or repair of the property damaged as provided in Section 3.7.3 below; provided, however, that the Mortgagee hereby agrees to permit the application of such proceeds to the restoration or repair of the damaged property, subject to the provisions of Section 3.7.3 below, if (i) the Mortgagee has received satisfactory evidence that such restoration or repair shall be completed no later than the date that is six (6) months prior to the Maturity Date, and (ii) no Event of Default, or event that with the passage of time, the giving of notice or both would constitute an Event of Default, then exists. If insurance proceeds are made available to the Borrower by the Mortgagee as hereinafter provided, the Borrower shall repair, restore or rebuild the damaged or destroyed portion of the Premises so that the condition and value of the Premises are substantially the same as the condition and value of the Premises prior to being damaged or destroyed. In the event of foreclosure of this Mortgage, all right, title and interest of the Borrower in and to any insurance policies then in force shall pass to the purchaser at the foreclosure sale.

3.7.3 If insurance proceeds are made available by the Mortgagee to the Borrower, the Borrower shall comply with the following conditions:

3.7.3.1 Before commencing to repair, restore or rebuild following damage to, or destruction of, all or a portion of the Premises, whether by fire or other casualty, the Borrower shall obtain from the Mortgagee its approval of all site and building plans and specifications pertaining to such repair, restoration or rebuilding.

3.7.3.2 Prior to each payment or application of any insurance proceeds to the repair or restoration of the improvements upon the Premises to the extent permitted in subsection (c) above (which payment or application may be made, at the Mortgagee's option, through an escrow, the terms and conditions of which are satisfactory to the Mortgagee and the cost of which is to be borne by the Borrower), the Mortgagee shall be satisfied as to the following:

(i) no Event of Default or any event which, with the passage of time or giving of notice would constitute an Event of Default, has occurred;

(ii) either such Improvements have been fully restored, or the expenditure of money as may be received from such insurance proceeds will be sufficient to repair, restore or rebuild the Premises, free and clear of all liens, claims and encumbrances, except the lien of this Mortgage and the Permitted Exceptions, or, if such insurance proceeds shall be insufficient to repair, restore and rebuild the Premises, the Borrower has deposited with the Mortgagee such amount of money which, together with the insurance proceeds shall be sufficient to restore, repair and rebuild the Premises; and

(iii) prior to each disbursement of any such proceeds, the Mortgagee shall be furnished with a statement of the Mortgagee's architect (the cost of which shall be borne by the Borrower), certifying the extent of the repair and restoration completed to the date thereof, and that such repairs, restoration, and rebuilding have been performed to date in conformity with the plans and specifications approved by the Mortgagee and with all statutes, regulations or ordinances (including building and zoning ordinances) affecting the Premises; and the Mortgagee shall be furnished with appropriate evidence of payment for labor or materials furnished to the Premises, and total or partial lien waivers substantiating such payments.

3.7.3.3. If the Borrower shall fail to restore, repair or rebuild the Improvements within a time deemed satisfactory by the Mortgagee in its reasonable discretion, then the Mortgagee, at its option, may (A) commence and perform all necessary acts to restore, repair or rebuild the said Improvements for or on behalf of the Borrower, or (B) declare an Event of Default. If insurance proceeds shall exceed the amount necessary to complete the repair, restoration or rebuilding of the Improvements, such excess shall be applied on account of the Indebtedness irrespective of whether such Indebtedness is then due and payable without payment of any premium or penalty.

3.8 Sale, Transfer or Encumbrance. The Borrower will not further mortgage, sell or convey, grant a deed of trust, pledge, grant a security interest in, lease, execute a land contract or installment sales contract, or otherwise dispose of, further encumber or suffer the encumbrance of, whether by operation of law or otherwise, any or all of its interest (legal or equitable) in the Property without the Mortgagee's prior written consent.

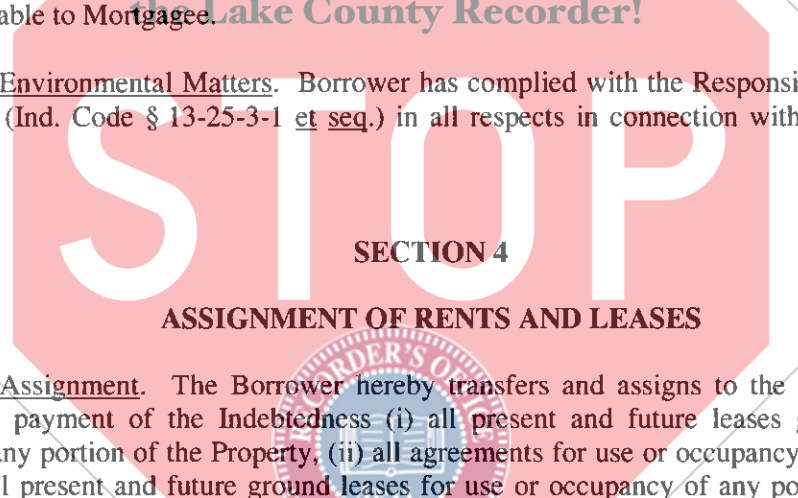
3.9 Mechanic's Liens. The Borrower will keep and maintain the Property free from all liens of persons supplying labor and materials for the construction, modification, repair or maintenance of any building or improvements whether on the Property or not. If any such lien is filed against the Property, the Borrower will discharge the same of record within thirty (30) days after the lien is filed or, if not filed, within thirty (30) days after the Borrower has notice thereof, provided, that, in connection with any such lien or claim that the Borrower may in good faith desire to contest, the Borrower may contest the same by appropriate legal proceedings, diligently prosecuted, upon the posting of a bond or other security in such manner as approved by Mortgagee in its reasonable discretion. Borrower has, as of the date hereof, permitted no work on the Property which could give rise to a lien on the Property, or if such work has commenced, has provided adequate waivers, indemnifications and other assurances to the Title Insurance

Company (as set forth in Exhibit B) so that the Title Insurance Policy (as set forth in Exhibit B) can be issued without exception for filed or unfiled mechanic's liens.

3.10 Eminent Domain. All awards heretofore or hereafter made by any public or quasi-public authority to the present and any subsequent owner of the Property by virtue of an exercise of the right of eminent domain by such authority, including any award for a taking of title, possession or right of access to a public way, or for any change of grade of streets affecting the Property, are hereby assigned to the Mortgagee and the Mortgagee, at its option, is hereby authorized, directed and empowered to collect and receive the proceeds of any such award from the authorities making the same and to give proper receipts and acquittances therefor, and, at the Mortgagee's election, may use such proceeds in any one or more of the following ways: (a) use the same or any part thereof to fulfill any of the covenants contained herein as the Mortgagee may determine, (b) use the same or any part thereof or replace or restore the Property to a condition satisfactory to the Mortgagee, (c) apply the same against the Indebtedness, or (d) release the same to the Borrower. The Mortgagee will have the right to intervene and participate jointly with the Borrower in any proceedings for and in connection with any such taking. Upon request of the Mortgagee, the Borrower will make, execute and deliver all assignments and other instruments sufficient for the purpose of assigning all such awards to the Mortgagee free, clear and discharged of all encumbrances. Notwithstanding the foregoing, so long as there is no Event of Default, Borrower shall have the exclusive right to participate in any such taking proceedings and apply the proceeds from such taking as it may determine, subject to the final approval of the Mortgagee.

3.11 Unpaid Impositions. In the event that any governmental agency claims that any tax or other governmental charge or other Imposition is due, unpaid or payable by the Borrower or the Mortgagee upon the Indebtedness (other than income tax, franchise tax or similar tax on the interest or premium receivable by the Mortgagee thereunder) and including any recording tax, documentary stamps or other tax or imposition on this Mortgage, the Borrower forthwith will pay such tax and, within a reasonable time thereafter, deliver to the Mortgagee satisfactory proof of payment thereof or if the Borrower is contesting the same in good faith, the Borrower will provide security for the payment thereof in a form acceptable to Mortgagee.

3.12 Environmental Matters. Borrower has complied with the Responsible Property Transfer Law of Indiana (Ind. Code § 13-25-3-1 et seq.) in all respects in connection with its execution of this Mortgage.



4.1 Assignment. The Borrower hereby transfers and assigns to the Mortgagee as further security for the payment of the Indebtedness (i) all present and future leases granted by Borrower covering all or any portion of the Property, (ii) all agreements for use or occupancy of any portion of the Property, (iii) all present and future ground leases for use or occupancy of any portion of the Property, (iv) any and all guarantees of the performance of any lessee under any lease of all or any part of the Property, (v) any extensions, amendments, modifications, supplements or replacements to any lease of all or any part of the Property (including any guaranty or other item included in this definition of "Leases") and any and all further leases and subleases, lettings or agreements of all or any part of the Property (all of the foregoing, "Leases"), and (vi) all rents and other sums of money due or becoming due to the Borrower under any of the Leases now due or which may hereinafter become due and payable. The rights assigned hereunder include but are not limited to all of the Borrower's rights (a) to make material modifications of the Leases; (b) to terminate or to accept the surrender thereof; (c) to waive or release the

lessees from the observance or performance by the lessees of any material covenant or condition of the leases; and (d) to give any consent to any assignment of the Leases or any sublease of any part of the Property.

4.2 Duties of Borrower. The Borrower will observe and perform all covenants and conditions to be observed or performed by the lessor under the Leases and enforce the observance and performance of the Leases by the lessees. Other than in the ordinary course of business, the Borrower will not cancel, surrender, terminate, or materially alter, amend or modify any Leases, release any party liable thereunder or consent to the assignment of the interests of any lessees without the prior written consent of the Mortgagee which consent will not be unreasonably delayed, conditioned or withheld, and the Mortgagee will be deemed to have consented to any such items if the Mortgagee fails to object thereto within five (5) days of receipt of a written request for the Mortgagee's consent; without limiting the generality of the foregoing, the Borrower may cancel or terminate any Lease as a result of a material default by the tenant thereunder and failure of such tenant to cure the default within the applicable time periods set forth in the Lease. The Borrower will not permit the prepayment of any rents under the Leases for more than thirty (30) days in advance of their due date without the prior written consent of the Mortgagee.

4.3 Rights of Mortgagee. If the Borrower fails to observe or perform any covenant or condition to be observed or performed by the Borrower under any of the Leases, the Mortgagee, without obligation to do so and without notice to or demand on the Borrower or releasing the Borrower from its obligation to do so, may perform such covenant or condition and, to the extent that the Mortgagee incurs any costs or pays any monies in connection therewith, including any costs or expenses of litigation, the costs and expenses will be due on demand and will be included in the Indebtedness secured hereby and will bear interest from the incurring or payment thereof at the Default Rate set forth in the Loan Agreement (but not higher than the highest rate permitted by law).

4.4 Indemnification. The Mortgagee will not be obligated to perform or discharge any obligation or duty of the Borrower under any of the Leases, and the acceptance of this assignment does not constitute an assumption of any such obligation or duty. The Mortgagee will not be deemed to have any responsibility for the control, care, management or repair of the Property or any responsibility or liability for any negligence in the management, operation, upkeep, repair or control of the Property resulting in loss, injury or death to any lessee, licensee, employee, stranger or other person. The Borrower will indemnify and hold the Mortgagee harmless against all liabilities, losses and damages that the Mortgagee may incur under the Leases or under or by reason of this assignment except for the Mortgagee's grossly negligent or willful acts or liabilities, losses and damages arising out of the Mortgagee's possession or control of the Property.

4.5 Rent. Provided that no Event of Default (as hereinafter defined), beyond any applicable grace, cure or notice period, exists hereunder, the Borrower will have the right to collect all rents under any Lease (but not more than thirty (30) days in advance of their due date), provided, that, upon the occurrence of an Event of Default hereunder, beyond any applicable grace, cure or notice period, the Mortgagee may take such actions with respect to the Leases and the rents, issues and profits (including the notification to lessees to make rent payments directly to the Mortgagee) from the Property, as permitted by law or in equity, including, but not limited to, the remedies set forth in Section 6 below.

4.6 Contracts. The Borrower will not enter into any contract for the management of the Property or appoint a rental agent for the Property (other than an Affiliate) without the prior written consent of the Mortgagee, which consent will not be unreasonably delayed, conditioned or withheld.

SECTION 5

FIXTURE FILING

5.1 Security Agreement. This instrument is intended to be a security agreement pursuant to the UCC for any of the items specified in Section 1.1 above as part of the Property which may be subject to a security interest pursuant to Section 1.1.7 of the UCC, and the Borrower hereby grants the Mortgagee a security interest in, and lien upon, such items.

5.2 Filings. The Borrower agrees that this instrument, or a reproduction thereof, may be filed in the real estate records or other appropriate index as a financing statement for any of the items specified above (including fixtures) as part of the Property, and authorizes Mortgagee to make any such filings Mortgagee deems necessary or proper. The Borrower's execution of this Mortgage constitutes an authentication pursuant to the UCC of the security agreement contained herein, thereby authorizing Mortgagee to file and record such financing statements, amendments and other UCC forms as may be necessary or appropriate to establish and maintain the priority of its lien and security interests created under this Mortgage. Any reproduction of this instrument or of any other security agreement or financing statement (meeting the requirements of the UCC) will be sufficient as a financing statement. The Borrower agrees to execute and deliver to the Mortgagee upon request, any financing statements (other than financing statements such as those currently prescribed by the UCC, which are not required to be executed by the debtor or secured party), as well as extensions, renewals and amendments thereof, and reproductions of this instrument in such form as may be required by law or reasonably required by the Mortgagee to perfect a security interest with respect to said items. The Borrower will pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and will pay all reasonable costs and expenses of any record searches for financing statements the Mortgagee may reasonably require.

This Document is the property of
the Lake County Recorder!

SECTION 6

DEFAULT; REMEDIES

6.1 Events of Default. The occurrence of any of the following events shall constitute an Event of Default pursuant to this Mortgage ("Event of Default"):

6.1.1 An Event of Default pursuant to the Loan Agreement or any other Loan Document shall occur and be continuing beyond any applicable notice, cure or grace period; or

6.1.2 Any Borrower shall, or shall permit any other person or entity to, further mortgage, sell or convey, grant a deed of trust, pledge, grant a security interest in, lease, execute a land contract or installment sales contract, or otherwise dispose of, further encumber or suffer the encumbrance of, whether by operation of law or otherwise, any or all of its interest (legal or equitable) in the Property without the Mortgagee's prior written consent; or

6.1.3 Failure by Borrower to promptly perform any other obligation or observe any other condition, covenant, term, agreement or provision required to be performed or observed by Borrower under this Mortgage within thirty (30) days after notice thereof; provided that: (A) to the extent such default, in the reasonable discretion of Mortgagee, creates a hazardous condition or adversely and imminently affects the value of the Property, such default shall be cured immediately, and (B) subject to the provisions of subsection (A) above, to the extent that such default is of such a character which reasonably requires more than thirty (30) days to cure, Borrower shall have such reasonable additional

time to cure the default, if Borrower has commenced to cure the same within said thirty (30) day period and is diligently and continuously pursuing such cure, which default shall in all circumstances be cured within ninety (90) days after delivery of the above required written notice.

6.2 Remedies. Upon the occurrence of an Event of Default, the Mortgagee will have all rights and remedies provided at law or in equity or under this Mortgage or any other Loan Document, including the right to accelerate the maturity of the Indebtedness, the right to foreclose the lien of this Mortgage, and the right to exercise any or all of the remedies available to a secured party under the UCC.

6.3 Waivers. The failure of the Mortgagee to accelerate the maturity of the Indebtedness secured hereby and to foreclose the lien hereof following any Event of Default, or to exercise any other option granted to the Mortgagee or partial payments of such Indebtedness, will neither constitute a waiver of any such default or of the Mortgagee's options hereunder nor establish, extend or affect any grace period for payments due under the Loan Agreement or any other Loan Document, but such options will remain continuously in force. Acceleration of maturity, once claimed hereunder by the Mortgagee, may, at the Mortgagee's option, be rescinded by written acknowledgment to that effect by the Mortgagee and will not affect the Mortgagee's right to accelerate maturity upon or after any future Event of Default.

6.4 Expenses. In any proceeding to foreclose the lien of this Mortgage or enforce any other remedy of the Mortgagee under the Loan Documents, this Mortgage, or any other document executed in connection therewith, or in any other proceeding whatsoever in connection with any of the Property in which the Mortgagee is named as a party, there will be allowed and included, as additional Indebtedness in the judgment or decree resulting therefrom, all reasonable expenses paid or incurred in connection with such proceeding by or on behalf of the Mortgagee constituting attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, survey costs, and costs (which may be estimated as to items to be expended after entry of such judgment or decree) of procuring all abstracts of title, title searches and examinations, title insurance policies, and any similar data and assurances with respect to title to the Property as the Mortgagee may deem reasonably necessary either to prosecute or defend in such proceeding or to evidence to bidders at any sale pursuant to such decree the true condition of the title to or value of or the environmental condition of the premises or the Property. All expenses of the foregoing nature, and such expenses as may be incurred in the protection of any of the Property and the maintenance of the lien of this Mortgage thereon, including, without limitation, the reasonable fees of any attorney employed by the Mortgagee in any litigation affecting this Mortgage or any of the Property, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding in connection therewith, will be immediately due and payable by the Borrower with interest thereon at the Default Rate specified in the Loan Agreement, but not higher than the highest rate permitted by law.

6.5 Proceeds. The proceeds of any foreclosure sale of the Property, or any part thereof, will be distributed and applied in the following order of priority: (a) on account of all costs and expenses incident to the foreclosure proceedings, including all such items as are mentioned in Section 6.4 hereof, (b) all other items that, under the terms of this Mortgage, constitute secured Indebtedness additional to that evidenced by the Loan Agreement, with interest thereon as prescribed by the Loan Agreement but not higher than the highest rate permitted by law; (c) all principal and interest remaining unpaid under the Loan Documents, in the order of priority specified by the Mortgagee in its sole discretion; and (d) the balance to the Borrower or its successors or assigns, as their interests may appear.

6.6 Additional Remedies. If an Event of Default has occurred and is continuing beyond any applicable grace, notice or cure period, the Mortgagee, at its option, in addition to the other remedies provided herein or in law or equity, may proceed to enter upon, take possession of, and manage and operate the Property and may proceed to perform any or all obligations of the Borrower under the Leases

(if any), and exercise the rights of the Borrower contained therein as fully as the Borrower itself could, without regard to the adequacy of security for the Indebtedness hereby secured and, to the extent permitted by applicable law, with or without bringing any legal action or causing any receiver to be appointed by any court; may let or re-let (if leased) or lease the Property or any part thereof and enforce, modify, cancel or accept the surrender of any Lease or Leases then in effect; may bring or defend any suits in connection with the possession of the Property or any part thereof, in the name of either the Borrower or the Mortgagee; may make such repairs as the Mortgagee may deem appropriate; may pay out of rents, income or profits any Impositions, liens, taxes, assessments, insurance premiums, utility charges or costs of keeping the Property in good condition and repair; may in the name of either the Borrower or the Mortgagee sue for or otherwise collect and receive all rents, issues and profits, including those past due and unpaid; and may do all other things the Mortgagee may deem necessary or proper to protect its security. Entry upon and taking possession of the Property and the collection of any rents and the application thereof will not operate to cure or waive any default under any instrument given by the Borrower to the Mortgagee or prohibit the taking of any other action by the Mortgagee under any such other instrument or at law or in equity to enforce the payment of the Indebtedness secured hereby or to realize on any other security or guarantee.

6.7 Receivers. Upon or at any time after the occurrence of an Event of Default hereunder beyond any applicable grace, notice or cure period, the Mortgagee may request the appointment of a receiver of the Property. Such appointment may be made either before or after any foreclosure action or sale and, subject to applicable law, without notice and without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the Indebtedness secured hereby without regard to the value of the Property at such time and whether or not the same is then occupied as a homestead and without bond being required of the applicant. Such receiver will have the power to take possession, control and care of the Property and to collect all rents, issues, deposits and profits thereof.

6.8 Rights of Mortgagee. If the Borrower fails to pay any of the Impositions or to make any other payment required to be paid by the Borrower under this Mortgage at the time and in the manner provided in this Mortgage, or if an Event of Default occurs under this Mortgage, the Loan Agreement or any other Loan Document, beyond any applicable grace, notice or cure period, then without limiting the generality of any other provision of this Mortgage and without waiving or releasing the Borrower from any of its obligations hereunder, the Mortgagee will have the right, but will be under no obligation, to pay any of the Impositions or other payment, or any sums due under this Mortgage, and may perform any other act or take such action as may be appropriate to cause such other term, covenant, condition or obligation to be promptly performed or observed on behalf of the Borrower. In any such event, the Mortgagee and any person designated by the Mortgagee will have, and is hereby granted, the right to enter upon the Property at any time and from time to time for the purpose of performing any such act or taking any such action, and all monies expended by the Mortgagee in connection with making such payment or performing such act (including, but not limited to, reasonable legal expenses and disbursements), together with interest thereon at the Default Rate specified in the Loan Agreement, but not higher than the highest rate permitted by law, from the date of each such expenditure, will be paid by the Borrower to the Mortgagee forthwith upon demand (with supporting documents and evidence of payment) by the Mortgagee and will be secured by this Mortgage.

SECTION 7

MISCELLANEOUS

7.1 Rights Cumulative. The rights of the Mortgagee arising under the provisions and covenants contained in this Mortgage and the other Loan Documents will be separate, distinct and cumulative and none of them will be exclusive of the others. No act of the Mortgagee will be construed

as an election to proceed under any one provision herein or in such other documents to the exclusion of any other provision, anything herein or otherwise to the contrary notwithstanding.

7.2 Waivers. A waiver by Mortgagee or Borrower in one or more instances of any of the terms, covenants, conditions or provisions hereof, or of the Loan Documents, will apply to the particular instance or instances and at the particular time or times only, and no such waiver will be deemed a continuing waiver, but all of the terms, covenants, conditions and other provisions of this Mortgage and of such other documents will survive and continue to remain in full force and effect. No waiver will be asserted against the Mortgagee or the Borrower unless in writing signed by the Mortgagee or the Borrower, as the case may be.

7.3 Titles. The titles to the Sections hereof are for reference only and do not limit in any way the content thereof.

7.4 Amendments. No change, amendment, modification, cancellation or discharge hereof, or any part hereof, will be valid unless in writing and signed by the parties hereto or their respective successors and assigns.

7.5 Notices. All notices, requests, demands and other communications provided for hereunder shall be in writing and addressed as follows:

If to the Borrower (by FedEx):

Northern Indiana Metals, LLC
2230 Indianapolis Blvd.
Whiting, Indiana 46394
Attn: John Schwarz, CFO

If to the Borrower (by mail):

Northern Indiana Metals, LLC
PO Box 9
Hammond, Indiana 46394
Attention: John Schwarz

with a copy to:

Much Shelist Deneberg Ament & Rubenstein PC
191 North Wacker Drive, Suite 1800
Chicago, Illinois 60606
Attn: Julie Hanusa, Esq.

If to the Mortgagee:

National City Bank
One North Franklin, 20th Floor
Chicago, Illinois 60606
Attn: Daniel Sabol, Vice President

with a copy to:

Patzik, Frank & Samotny, Ltd.
150 South Wacker Drive, Suite 1500
Chicago, Illinois 60606
Attn: John Morse, Esq.

or, as to each party, at such other address as shall be designated by such party in a written notice to each other party complying as to delivery with the terms of this subsection. All notices addressed as above shall be deemed to have been properly given (i) if served in person, upon acceptance or refusal of delivery; (ii) if mailed by certified or registered mail, return receipt requested, postage prepaid, on the third (3rd) day following the day such notice is deposited in any post office station or letter box; or (iii) if

sent by recognized overnight courier, on the first (1st) day following the day such notice is delivered to such carrier.

7.6 Construction. Any words herein which are used in one gender will be read and construed to mean or include the other genders wherever they would so apply. Any words herein which are used in the singular will be read and construed to mean and to include the plural wherever they would so apply, and vice versa. This Mortgage will be governed by and construed in accordance with the laws of the State of Indiana without regard to the principles of conflicts of laws.

7.7 Waivers by Borrower. The Borrower hereby expressly waives, to the extent permitted by law, the equity of redemption, any statutory right of redemption, and homestead and all other rights and exemptions of every kind in and to the Property.

7.8 Releases. The Borrower agrees that the Mortgagee, without notice to or further consent of the Borrower, may release or discharge any persons who are or may become liable for the payment of the Indebtedness or release or discharge any other collateral for the payment of the Indebtedness and any such release or discharge will not alter, modify, release or limit the validity and enforceability of this Mortgage or the liability of the Borrower under the Indebtedness or this Mortgage.

7.9 Conflict. In the event of conflict between the terms hereof and the Loan Agreement, the terms of the Loan Agreement shall control.

7.10 Changes in the Laws Regarding Taxation. If any law is enacted or adopted or amended after the date of this Mortgage which deducts the Indebtedness from the value of the Property for the purpose of taxation or which imposes a tax, either directly or indirectly, on the Borrower or the Mortgagee's interest in the Property, the Borrower will pay such tax, with interest and penalties thereon, if any. If the Mortgagee determines that the payment of such tax or interest and penalties by the Borrower would be unlawful or taxable to the Mortgagee or unenforceable or provide the basis for a defense of usury, and the Indebtedness is not satisfactorily modified in Mortgagee's reasonable discretion, then the Mortgagee shall have the option to declare the entire Indebtedness immediately due and payable.

7.11 Documentary Stamps. If at any time the United States of America, any state thereof or any subdivision of any such state shall require revenue or other stamps to be affixed to any Loan Document or this Mortgage, or impose any other tax or charge on the same, the Borrower will pay for the same, with interest and penalties thereof, if any.

7.12 Governing Law: Waiver of Jury Trial. This Mortgage, and all disputes arising hereunder, shall be governed by the law of the State in which the Real Estate is located, excluding such State's laws governing conflicts of laws. The Borrower and Mortgagee, by its acceptance of this Mortgage, hereby voluntarily, knowingly, irrevocably and unconditionally waive any right to have a jury participate in resolving any dispute (whether based upon contract, tort, or otherwise) between or among Borrower and Mortgagee arising out of or in any way related to this Mortgage, any other Loan Document, or any relationship between Mortgagee and Borrower. This provision is a material inducement to Mortgagee to provide the financing described herein or in the Loan Documents.

7.13 Additional Remedies. In addition to the right and remedy provided in Section 6.7 hereof, upon, or at any time after the filing of a complaint to foreclose this Mortgage, Mortgagee shall be entitled to the appointment of a receiver of the Property by the court in which such complaint is filed and Borrower hereby consents to such appointment.

7.14 Attorneys Fees. As used herein, the terms “attorneys’ fees,” “legal fees,” “reasonable attorneys’ fees,” “reasonable counsel’s fees,” “costs of collection,” “costs and expenses of enforcement” and similar terms and phrases shall include, without limitation, costs and fees of paralegals, support staff costs and amounts expended in litigation preparation and computerized research, telephone and telefax expenses, mileage, depositions, postage, photocopies, process service and video tapes.

7.15 Non-Waiver. Nothing herein constitutes or is intended to constitute a waiver by Borrower of the time limitation on issuance of process under Ind. Code § 32-29-7-3 or a waiver by Borrower or Mortgagee of any rights under Ind. Code § 32-29-7-5.

7.16 Additional Borrower Waiver of Rights. Borrower waives the benefit of all laws now existing or that hereafter may be enacted providing for (i) any appraisal before sale of any portion of the Property, and (ii) the benefit of all laws that may be hereafter enacted in any way extending the time for the enforcement of the collection of the Indebtedness or, to the extent not prohibited by law, creating or extending a period of redemption after any sale made in collecting said debt. To the full extent Borrower may do so, Borrower agrees that Borrower will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, or extension, and Borrower, for Borrower, Borrower’s heirs, devisees, representatives, successors and assigns, and for any and all persons ever claiming any interest in the Property, to the extent permitted by law, hereby waives and releases all valuation, appraisal, stay of execution, notice of election to mature or declare due the whole of the secured indebtedness and marshaling in the event of foreclosure of the liens hereby created. If any law referred to in this Section and now in force, of which Borrower, Borrower’s heirs, devisees, representatives, successors and assigns or other person might take advantage despite this Section, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this Section. Borrower expressly waives and relinquishes any and all rights and remedies which Borrower may have or be able to assert by reason of the laws of the State of Indiana pertaining to the rights and remedies of sureties.

7.17. Closing Date. Mortgagee and Borrower hereby expressly acknowledge and agree that although the Loan Documents (as defined in the Loan Agreement) are dated for reference purposes only as of February 29, 2008, the initial advance was not made until the Closing Date (as defined in the Loan Agreement) and that the effective date of the Loan Documents is the Closing Date.

SECTION 8
FUTURE ADVANCES

8.1 Advances by Mortgagee. As permitted by Ind. Code § 32-29-1-10, this Mortgage shall secure, in addition to the obligations and liabilities described in this Mortgage, future advances and obligations of the Borrower to the Mortgagee and advances by the Mortgagee to the Borrower up to Thirty-Six Million and 00/100 Dollars (\$36,000,000) (whether made as an obligation, made at the option of Mortgagee, made after a reduction to a zero (0) or other balance or otherwise) to the same extent as if the future advances and obligations were made on the date of this Mortgage.

8.2 Other Liens. It is agreed that the lien hereby created will take precedence over and be a prior lien to any other lien of any character whether vendor’s, materialmen’s or mechanic’s lien hereafter created on the Property (except as otherwise provided by law), and in the event the proceeds of the Indebtedness secured hereby as set forth herein are used to pay off and satisfy any liens heretofore

existing on the Property, then the Mortgagee is, and will be, subrogated to all of the rights, liens and remedies of the holders of the indebtedness so paid.

SECTION 9

DEFEASANCE

9.1. Defeasance. If the Borrower keeps, observes and performs all of the covenants and conditions of this Mortgage on its part to be kept and performed and pays, or causes to be paid, to the Mortgagee the Loans (as defined in the Loan Agreement) and all other Indebtedness, and repays any future advances hereafter made by the Mortgagee under the terms hereof, then this Mortgage will be deemed satisfied and shall be released by the Mortgagee by the execution and filing of a proper instrument to effect such release; otherwise it will remain in effect.

[Signatures on following page]



This Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filing has been executed by the undersigned, the duly authorized Member of Borrower, effective as of the date and year first set forth above.

“BORROWER”

NORTHERN INDIANA METALS, LLC
an Illinois limited liability company

By: *Jeffrey F. Condon*
Name: Jeffrey F. Condon
Title: CEO

STATE OF Illinois)
) SS:
COUNTY OF Cook)

BEFORE ME, a Notary Public in and for said County and State, personally appeared Jeffrey F. Condon, the CEO of NORTHERN INDIANA METALS, LLC, an Illinois limited liability company, who executed the foregoing Mortgage, Security Agreement, Assignment of Rents and Leases and Fixture Filing on behalf of such limited liability company and acknowledged the signing and execution of said instrument to be his voluntary act and deed and the voluntary act and deed of such limited liability company for the uses and purposes therein mentioned.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal, on this 24th day of February, 2008.

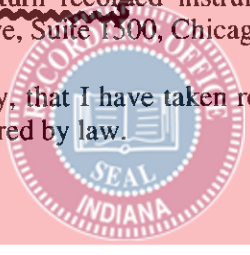
My Commission Expires:



Michael D. Burstein
Michael D. Burstein Notary Public
and Resident of Cook County, Illinois

This instrument prepared by (and return recorded instrument to): John W. Morse, Patzik, Frank & Samotny, Ltd., 150 South Wacker Drive, Suite 1500, Chicago, Illinois 60606, (312) 205-4410.

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.



John W. Morse
John W. Morse

EXHIBIT A

Legal Description

Parcel 1:

Outlot "A", except the West 422.34 feet thereof, John A. Tokarz Lakeview Subdivision, in the City of Hammond, as per plat thereof, recorded in Plat Book 19, page 27, in the Office of the Recorder of Lake County, Indiana.

Township No.: 007
Taxing Unit No.: 26
Key No.: 36-201-24

Township No.: 007
Taxing Unit: 26 K
Key No.: 36-201-24

Parcel 2:

Part of the Southeast Quarter of Section 7, Township 37 North, Range 9 West of the Second Principal Meridian, more particularly described as follows: Beginning at the intersection of the centerline of Indianapolis Boulevard with the South line of the abandoned Right-of-Way of the former Indiana Harbor Belt Roadway; thence South 88 degrees 57 minutes 31 seconds West along said South line 1023.67 feet; thence South 01 degree 02 minutes 29 seconds East perpendicular to said South Right-of-Way 182.00 feet; thence North 88 degrees 57 minutes 31 seconds East 81.85 feet; thence South 01 degree 02 minutes 29 seconds East 300.00 feet to a point on a line which is 482.00 feet Southerly, by rectangular measurement, of the said South Right-of-Way line; thence North 88 degrees 57 minutes 31 seconds East, parallel to the said South Right-of-Way line, 1058.79 feet to the centerline of New York Avenue; thence North 00 degree 44 minutes 29 seconds West 329.61 feet to a point which is also the intersection of the centerline of said New York Avenue with the centerline of Indianapolis Boulevard; thence North 38 degrees 56 minutes 29 seconds West along said centerline of Indianapolis Boulevard 193.32 feet to the Point of Beginning; excepting the Easterly 38 feet thereof lying within New York Avenue and the Easterly 40 feet thereof lying within Indianapolis Boulevard taken for public street right-of-ways, in the City of Hammond, Lake County, Indiana,

EXCEPTING THEREFROM that part of the above land deeded to Globe Building Materials, Inc., a Delaware corporation recorded June 30, 1989 as Document No. 044700, being more particularly described as follows: Part of the Southeast Quarter of Section 7, Township 37 North, Range 9 West of the Second Principal Meridian, in the City of Hammond, Lake County, Indiana and more particularly described as follows: Commencing at the intersection of the Southerly Right-of-Way line of the Indiana Harbor Belt Railroad and the Westerly Right-of-Way line of Indianapolis Boulevard; thence South 38 degrees 56 minutes 29 seconds East, along said Westerly Right-of-Way line 63.10 feet to the Point of Beginning; thence South 88 degrees 57 minutes 31 seconds West, and parallel with the Southerly Right-of-Way line of the Indiana Harbor Belt Railroad, 146.90 feet; thence South 43 degrees 24 minutes 29 seconds West, 67.38 feet; thence South 00 degrees 44 minutes 29 seconds East, 144.88 feet, and parallel with the Westerly Right-of-Way line of New York Avenue; thence North 89 degrees 15 minutes 31 seconds East, 30.00 feet; thence South 00 degrees 44 minutes 29 seconds East, 33.00 feet, and parallel with the Westerly Right-of-Way line of New York Avenue; thence North 88 degrees 53 minutes 53

seconds East 257.00 feet, to the Westerly Right-of-Way line of New York Avenue; thence North 00 degrees 44 minutes 29 seconds West, along said Westerly line, 107.00 feet, to the intersection with the Westerly Right-of-Way line of Indianapolis Boulevard; thence North 38 degrees 56 minutes 29 seconds West, along said Westerly Right-of-Way line of Indianapolis Boulevard, 150.64 feet, to the Point of Beginning,

ALSO EXCEPTING that part deeded to Kal Enterprises, Inc., a _____ corporation, recorded February 26, 1993 as Document No. 93012973, being more particularly described as follows: Part of the Southeast Quarter of Section 7, Township 37 North, Range 9 West of the Second Principal Meridian, described as follows: Commencing at the intersection of the centerline of Indianapolis Boulevard with the centerline of New York Avenue; thence South 00 degree 44 minutes 29 seconds East 329.61 feet along said centerline of New York Avenue; thence South 88 degrees 57 minutes 31 seconds West 38 feet along a line 482.00 feet Southerly and parallel to the South line of the Indiana Harbor Belt Railroad Company Right-of-Way to a place of beginning; thence continuing South 88 degrees 57 minutes 31 seconds West 265 feet; thence North 00 degree 44 minutes 29 seconds West 175 feet; thence North 88 degrees 57 minutes 31 seconds East 265 feet to the West Right-of-Way line of New York Avenue; thence South 00 degree 44 minutes 29 seconds East 175 feet along last said line to the Place of Beginning, all in the City of Hammond, Lake County, Indiana.

Township No.: 007
Taxing Unit No.: 26
Key No.: 37-62-22

Township No.: 007
Taxing Unit: 26
Key No.: 37-62-22



EXHIBIT B

Permitted Encumbrances

1. Taxes for the year 2007 due and payable in 2008 are a lien not yet due and payable.
2. Easement for sewer in favor of Sanitary District of Hammond dated August 18, 1960 and recorded September 8, 1960 as Document No. 277926, in Miscellaneous Record 783, page 559.

(Affects Parcel 1 of the land).
3. Easement for sewer in favor of Sanitary District of Hammond dated March 30, 1981 and recorded May 18, 1981 as Document No. 628595.

(Affects Parcel 1 of the land).
4. Easements reserved in a Corporate Warranty Deed dated November 26, 1985 and recorded December 12, 1985 as Document No. 832677, made by Federated Metals Corporation to HBR Partners, as follows:

Grantor does hereby reserve a non-exclusive easement, running with the land, and benefiting Grantor and its successors and assigns, for ingress and egress to, over and upon the above-described non-improved real estate, for access by Grantor to said non-improved real estate, for the purpose of installing, monitoring, repairing and inspecting of existing hazardous materials, monitoring stations; for the purpose of installing any additional monitoring stations for hazardous materials as required by any governmental agency, and for the monitoring, repairing and inspecting of such additional monitoring sites, provided, however, the Grantor shall give notice to Grantee of any request of any governmental agency for installation of such additional monitoring stations, and Grantee may participate in said determination prior to such installation; and for any and all other environmental purposes.
5. Easement for Electrical Lines and Gas Mains in favor of Northern Indiana Public Service Company, an Indiana corporation, and to its successors and assigns dated January 28, 1986 and recorded February 13, 1986 as Document No. 841188.
6. Easement for Underground Electrical Lines and Gas Mains in favor of Northern Indiana Public Service Company, an Indiana corporation, dated May 29, 1986 and recorded July 18, 1986 as Document No. 864898.
7. Reciprocal Easement Agreement for a non-exclusive ingress and egress and passage of pedestrian and vehicular traffic, made by and between Globe Building Materials, Inc., a Delaware corporation and HBR Partners, an Illinois general partnership, dated June 29, 1989 and recorded June 30, 1989 as Document No. 044701.
8. Reciprocal Easement Agreement for a non-exclusive easement for ingress and egress and passage of pedestrian and vehicular traffic made by and between Monaghan, L.L.C., an Indiana limited liability company and HBR Partners, an Illinois general partnership, dated May 16, 2003 and recorded May 22, 2003 as Document No. 2003 051780.
9. Easement Agreement for public water system by and between HBR Partners, an Illinois General

Partnership and Monaghan, LLC, an Indiana Limited Liability Corporation dated December 12, 2003 and recorded December 21, 2005 as Document No. 2005 112099.

10. NOTE: Disclosure document, pursuant to IC 13-25-3, recorded May 22, 2003 as Document No. 2003 051782.
11. Party Wall affecting the westerly portion of Parcel 2 of the land as shown on the ALTA/ACSM Land Title Survey, dated February 14, 2007 and last revised February 16, 2007, prepared by John Stuart Allen, Job No. 0133-07.
12. Rights of public and quasi-public utilities in and to the land as evidenced by large monitoring wells, small monitoring wells, power poles with lights, overhead lights, light poles, manholes, power poles, fire hydrant, water valves and gas valves, as shown on the ALTA/ACSM Land Title Survey dated February 14, 2007 and last revised February 16, 2007, prepared by John Stuart Allen, Torrenga Surveying, LLC, as Job No. 0133-07.

