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WARRANTY MORTGAGE  
Lake County

THIS INDENTURE WITNESSETH: That American Petroleum, Inc., an Indiana corporation ("Mortgagor") MORTGAGES AND WARRANTS to Harpreet Singh ("Mortgagee") certain real estate, situated in Lake County, State of Indiana, commonly known as 6502-06 Kennedy Avenue, Hammond, Indiana, and more fully described on Exhibit "A" attached hereto, together with the rents, issues and profits therefrom, and all rights, privileges and easements connected with, or relating thereto, and improvements thereon or hereafter constructed now or hereafter owned or possessed by the Mortgagor.

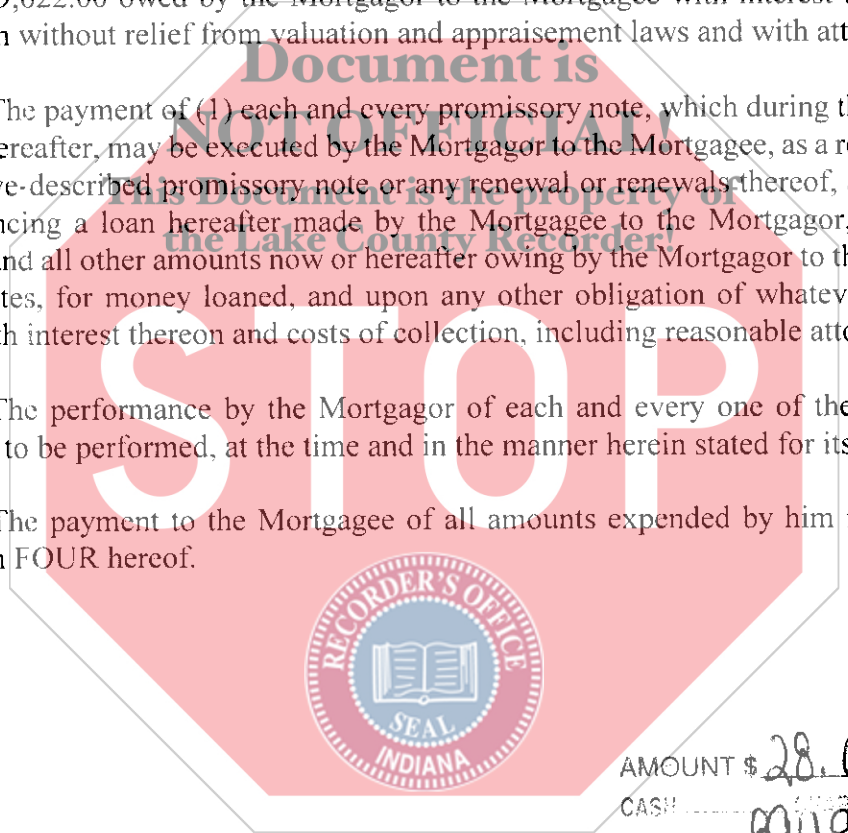
ONE: The mortgage is executed to secure:

(a) The payment of certain indebtedness evidenced by a promissory note or notes in the original principal sum of \$2,059,622.00 owed by the Mortgagor to the Mortgagee with interest thereon, computed and payable as stated therein without relief from valuation and appraisal laws and with attorney's fees.

(b) The payment of (1) each and every promissory note, which during the life of this mortgage and from time to time hereafter, may be executed by the Mortgagor to the Mortgagee, as a renewal, substitution, or amendment of the above-described promissory note or any renewal or renewals thereof, and (2) each and every promissory note evidencing a loan hereafter made by the Mortgagee to the Mortgagor, to be secured by this Mortgage, and (3) any and all other amounts now or hereafter owing by the Mortgagor to the Mortgagee, either on account, on bills or notes, for money loaned, and upon any other obligation of whatever nature and however contracted, together with interest thereon and costs of collection, including reasonable attorneys' fees, if any;

(c) The performance by the Mortgagor of each and every one of the terms, covenants and conditions hereof, by it to be performed, at the time and in the manner herein stated for its performance; and

(d) The payment to the Mortgagee of all amounts expended by him in accordance with the provisions of Paragraph FOUR hereof.



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AMOUNT \$ 28.00  
CASH \_\_\_\_\_  
CHECK # 89495 \_\_\_\_\_  
OVERSAGE \_\_\_\_\_  
COPY \_\_\_\_\_  
NON COM \_\_\_\_\_  
CLERK 44 \_\_\_\_\_  
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TWO: For each of the purposes stated in Paragraph ONE hereof, this Mortgage is, and shall be, become and remain, a continuing first lien, junior only to the taxes and special assessments which are now or hereafter become a lien upon the above-described real estate, including all equipment, fixtures, buildings and improvements thereon, until all of the provisions hereof and of each of said promissory notes described in Paragraph ONE hereof, shall have been fully performed and complied with by the Mortgagor.

THREE: The Mortgagor agrees so long as this Mortgage is in effect, to:

- (a) Maintain this Mortgage as a first lien upon said real estate, junior only to general taxes and special assessments which are not delinquent;
- (b) Keep the improvements now or hereafter located upon said real estate in as good condition and repair as the same are now in, excepting normal wear and tear;
- (c) Keep the improvements now or hereafter located upon said real estate insured against loss of any kind, including, where applicable, flood insurance required by state or federal statute, rule or regulation, in an amount not less than the amount of the debt hereby secured by insurance companies approved by the Mortgagee, and to deliver said policies or copies thereof to, and keep the same on deposit with, the Mortgagee;
- (d) Cause the policies described in THREE (c) hereof, to be made payable to the Mortgagor and Mortgagee, as their interests may appear, and to pay, whenever they become due and payable, all premiums thereon;
- (e) Pay before they become delinquent, all general taxes and special assessments which are now, or which may hereafter become a lien on said real estate, upon request deliver to the Mortgagee the receipts evidencing the payment thereof; and
- (f) Pay to the Mortgagee, without relief from valuation and appraisal laws, and with attorneys' fees, (1) each of the promissory notes and interest thereon, described in Paragraph ONE hereof, and (2) the amounts which may be paid by him in accordance with the provisions of Paragraph FOUR hereof, at the time and in the manner therein or herein stated.

FOUR: If the Mortgagor shall fail to comply with the provisions of:

- (a) Paragraph THREE (b) hereof, the Mortgagee may cause said repairs to be made and pay the cost thereof;
- (b) Paragraph THREE (c) hereof, the Mortgagee may, in the name of the Mortgagor, procure said policies, pay the premiums thereon, and retain the possession thereof;
- (c) Paragraph THREE (d) hereof, the Mortgagee may cause said policies, with or without having the possession thereof, to be made payable to him and pay all premiums thereon which may become payable; and

(d) Paragraph THREE (e) hereof, the Mortgagee may pay said general taxes and special assessments.

FIVE: Each of the amounts paid by the Mortgagee, in accordance with the provisions of Paragraph FOUR hereof, with interest thereon at the rate set forth in said promissory note from the date said amounts are paid by the Mortgagee, shall become immediately due and payable by the Mortgagor to the Mortgagee without demand.

In the event the Mortgagee employs counsel to protect his interest in said real estate or to collect any amounts owing by the Mortgagor, whether or not judicial proceedings are commenced, and whether or not the proceedings are contested, then reasonable attorneys' and paralegals' fees therefore shall be immediately due and payable by the Mortgagor to the Mortgagee without demand.

SIX: The Mortgagor agrees that said real estate or any interest therein shall not be sold, assigned, or transferred by agreement or by operation of law, without the prior written consent of the Mortgagee; and that no lien, mortgage or other encumbrance upon said real estate, except for the lien of this Mortgage and general taxes and special assessments which are not delinquent, shall be permitted to be placed or remain, without prior written consent of the Mortgagee. Any and all purchasers and transferees of said real estate, shall by such purchase or transfer become personally liable for the unpaid balance of the indebtedness for which this Mortgage is given, without regard to whether there is an express assumption of said debt; provided, that the acceptance by the Mortgagee of any payment on said indebtedness, made by such purchaser or transferee, shall not constitute a waiver by the Mortgagee of any provision of this Mortgage.

SEVEN:

A. Covenants Relating to Environmental Matters:

1. Mortgagor will not use, generate, manufacture, produce, store, release, discharge, or dispose of on, under or about the real estate or transport to or from the real estate any Hazardous Substance (as defined below) or allow any other person or entity to do so except in minor amounts under conditions permitted by applicable laws, or as otherwise approved in advance by Mortgagee and always under conditions permitted by applicable laws.
2. Mortgagor shall keep and maintain the real estate in compliance with, and shall not cause or permit the real estate to be in violation of any Environmental Law (as defined below). Mortgagee may inspect and test the real estate during the course of this loan and Mortgagor agrees to pay all expenses of such inspection or any testing which Mortgagee conducts.
3. Mortgagor shall give prompt written notice to Mortgagee of:
  - (a) any proceeding or inquiry by any governmental authority with respect to the presence of any Hazardous Substance on the real estate or the migration thereof from or to other property;

(b) all claims made or threatened by any third party against Mortgagor or the real estate relating to any loss or injury resulting from any Hazardous Substance; and

(c) Mortgagor's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the real estate that could cause the real estate or any part thereof to be subject to any restrictions on the ownership, occupancy, transferability or use of the real estate under any Environmental Law.

4. Mortgagee shall have the right to join and participate in, as a party if it so elects any legal proceedings or actions initiated with respect to the real estate in connection with any Environmental Law and have its attorneys' and paralegals' fees in connection therewith paid by Mortgagor.

5. Mortgagor shall protect, indemnify and hold harmless Mortgagee, his heirs, representatives, successors and assigns from and against any and all loss, damage, cost, expense or liability (including attorneys' and paralegal fees and costs) directly or indirectly arising out of or attributable to the use, generation, manufacture, production, storage, release, threatened release, discharge, disposal, or presence of a Hazardous Substance on, under or about the real estate including without limitation (i) all foreseeable consequential damages; and (ii) the costs of any required or necessary repair, cleanup or detoxification of the real estate and the preparation and implementation of any closure, remedial or other required plans. This indemnity shall survive the extinguishment of the lien of this Mortgage by foreclosure or action in lieu thereof, and this covenant shall survive such foreclosure or extinguishment.

6. In the event that any investigation, site monitoring, containment, cleanup, removal, restoration or other remedial work of any kind or nature (the "Remedial Work") is required, reasonably necessary or desirable under any applicable local, state or federal law or regulation, any judicial order, or by any governmental or nongovernmental entity or person because of, or in connection with, the current or future presence, suspected presence, release or suspected release of a Hazardous Substance in or into the air, soil, groundwater, surface water or soil vapor at, on, about, under or within the real estate (or any portion thereof), Mortgagor shall within 30 days after written demand for performance thereof by Mortgagee (or such shorter period of time as may be required under any applicable law, regulation, order or agreement), commence and thereafter diligently prosecute to completion, all such Remedial Work. All Remedial Work shall be performed by contractors approved in advance by Mortgagee, and under the supervision of a consulting engineer approved by Mortgagee. All costs and expenses of such Remedial Work shall be paid by Mortgagor including, without limitation, Mortgagee's reasonable attorneys' and paralegals' fees and costs incurred in connection with monitoring or review of such Remedial Work. In the event Mortgagor shall fail to timely commence, or cause to be commenced, or fail to diligently prosecute to completion, such Remedial Work Mortgagee may, but shall not be required to, cause such Remedial Work to be performed and all costs and expenses thereof, or incurred in connection therewith, shall become part of the indebtedness secured hereby.

B. Representations and Warranties Relating to Environmental Matters. Mortgagor represents and warrants to Mortgagee with these warranties surviving the foreclosure of this Mortgage or termination or release of this Mortgage, that:

1. Neither the real estate nor the Mortgagor is in violation of or subject to any existing, pending or threatened investigation by any governmental authority under any Environmental Law.

2. Mortgagor has not and is not required by any Environmental Law to obtain any permits or license to construct or use any improvements, fixtures or equipment forming a part of the real estate.

3. Mortgagor has made inquiry into previous uses and ownership of the real estate, and after such inquiry has determined that no Hazardous Substance (as defined below) has been disposed of or released on or to the real estate.

4. Mortgagor's prior, present and intended use of the real estate will not result in the disposal or release of any Hazardous Substance on or to the real estate.

C. Definitions. "Environmental Law" means any federal, state or local law, statute, ordinance, or regulation pertaining to health, industrial hygiene, or the environmental conditions on, under or about the real estate, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA") as amended, 41 U.S.C. Sections 9601 et. seq., and the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. Sections 6901 et. seq.

The term "Hazardous Substance" means any toxic or hazardous substance, material or waste which is or becomes regulated by any local governmental authority, the State of Indiana or the United States Government. The term "Hazardous Substance" includes without limitation:

1. Those substances included within the definitions of "hazardous substances," "hazardous material," "toxic substances," or "solid waste" in CERCLA, RCRA, and the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801 et. seq., and in the regulations promulgated pursuant to said laws.

2. Those substances defined as a "hazardous substance" under I.C. 13-7-8.7-1 of the Indiana Hazardous Substance Response Trust Fund Act.

3. Petroleum.

4. Asbestos.

5. Those substances designated as a hazardous "substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. 1311).

6. Those substances defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (42 U.S.C. 6991 et. seq.)

EIGHT: If the Mortgagor shall fail to pay any installment of the principal of, or interest on, the promissory note or notes described in Paragraph ONE hereof, shall fail to perform any of the provisions hereof on its part to be performed, at the time herein provided for its performance, or in the event the Mortgagee deems himself

insecure then and in any of said event, the full amount of the note hereby secured, shall immediately become due and payable, and then if the Mortgagor does not thereupon pay such full amount, the Mortgagee may foreclose this Mortgage.

NINE:

(a) Notwithstanding any law, statutory or common of the State of Indiana to the contrary, the court, in which an action to foreclose this Mortgage is pending, shall, upon the application of the Mortgagee, forthwith appoint a receiver for the mortgaged premises, who shall collect the rents, issues and profits therefrom from the Mortgagor or from other occupants therefrom from the date of his appointment to the date upon which a conveyance of said real estate shall have been made by the sheriff or until prior to that date, the full amount owing to the Mortgagee, the payment of which is secured by this Mortgage, shall have been paid to him;

(b) The net amount received by the receiver shall be paid to the Mortgagee to apply upon the deficiency judgment if any, owing to him and if no deficiency judgment exists, or if the net amount so received by said Receiver is in excess of said deficiency judgment, then the amount which the Mortgagee is not entitled to receive, shall be paid as the Court, in which said receivership is pending, shall direct.

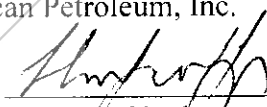
TEN: The Mortgagee and the Mortgagor after consulting or having had the opportunity to consult with counsel, knowingly, voluntarily and intentionally waive any right either of them may have to a trial by jury in any litigation based upon or arising out of this Mortgage or any related instrument or agreement or any of the transactions contemplated by this Mortgage or any course of conduct, dealing, statements, whether oral or written or actions of either of them. Neither the Mortgagee nor the Mortgagor shall seek to consolidate, by counterclaim or otherwise, any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived. These provisions shall not be deemed to have been modified in any respect or relinquished by either the Mortgagee or the Mortgagor except by a written instrument executed by both of them.

ELEVEN: The undersigned person executing this mortgage on behalf of the Mortgagor represents and certifies that he is a current officer of the Corporation and has been fully empowered to execute and deliver this mortgage.

IN WITNESS WHEREOF, the Mortgagor by its duly authorized officer executed this Warranty Mortgage as of this 19<sup>th</sup> day of August, 2011.



"MORTGAGOR"  
American Petroleum, Inc.

By:   
Harpreet Singh  
President

STATE OF INDIANA  
SS:  
COUNTY OF ELKHART

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared Harpreet Singh, known to me to be the President of American Petroleum, Inc., the corporation named herein, and acknowledged the execution of the foregoing instrument for and on behalf of said corporation, being authorized so to do, this 19th day of August, 2011.

Brooke Shumaker  
Printed Name: Brooke Shumaker  
Notary Public St. Joseph  
Residing in Elkhart County  
State of Indiana

My Commission Expires:  
March 14, 2012

This instrument was prepared by William D. Haut of the law firm of Warrick & Boyn, LLP, 121 W. Franklin Street, Suite 400, Elkhart, Indiana 46516. 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. William D. Haut.

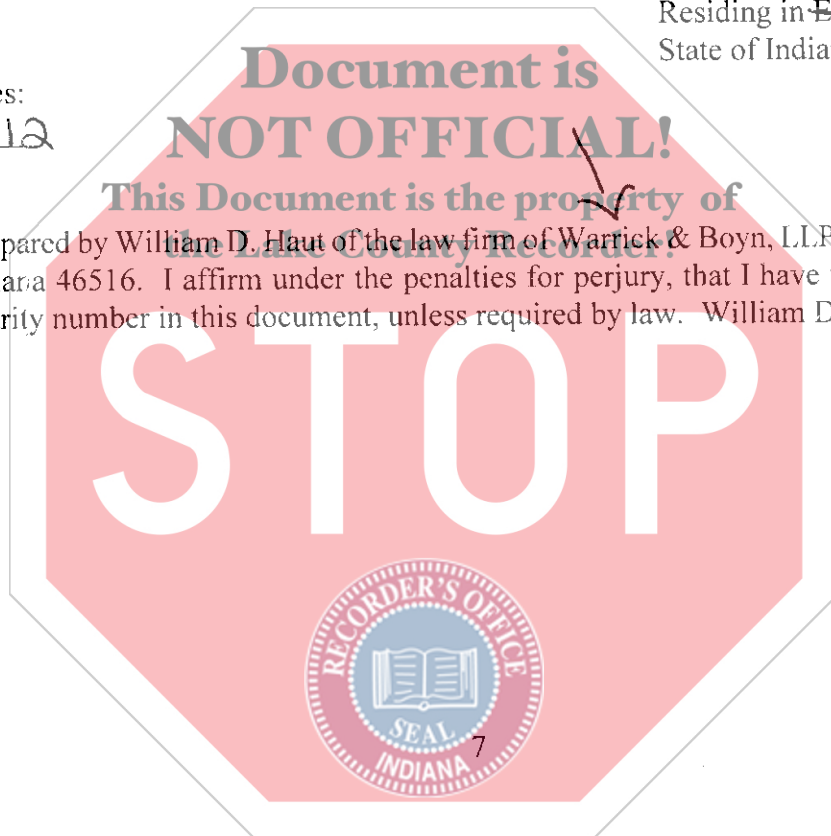


Exhibit A

Document is

Lots 1 to 6, both inclusive, and the Easterly 9.27 feet of Lot 35, Block 1, Kaplan's Turner-Meyn Park, in the city of Hammond, as shown in Plat Book 20, page 4, in Lake County, Indiana, including that part of the first alley lying West of Kennedy Avenue and running in a general Northerly and Southerly direction from 165<sup>th</sup> Street on the North to the North line of the first alley running in an Easterly and Easterly direction on the South, as vacated by Confirmatory Resolution No. 2237 adopted March 24, 1964, and recorded April 7, 1964 in Miscellaneous Record 893, Page 332, as Document No. 555649; and except that part of Lot 1, described as follows: Beginning at the Northeast corner of Lot 1, Block 1, of Kaplan's Turner-Meyn Park Addition to Hammond, Indiana, being a subdivision in the Northwest Quarter of Section 9, Township 36 North, Range 9 West of the Second Principal Meridian as recorded in Plat Book 20, Page 4, in the Office of the Lake County Recorder, thence South along the East line of said Lot 1, a distance of 13 feet; thence Northwesterly a distance of 19.89 feet more or less to a point on the North line of Lot 1, said point being 15 feet West of the Northeast corner of Lot 1; thence East a distance of 15 feet to the point of beginning. More commonly known as: 6502-06 Kennedy Avenue, Hammond, Indiana.

