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THIS MORTGAGE (the "Mortgage") is made as of the 20th day of December, 2011 by Edwin J. Chromcik and Geraldine M Chromcik ("Borrower") whose principal address is 6339 W 135<sup>th</sup> Place, Cedar Lake, Indiana. This Mortgage is given by Borrower in consideration Jeff Ogle and Paula J Ogle ("Ogles") and Joseph A West and Pamela J West ("West") (hereinafter referred to collectively as "Lender") having made a loan to Borrower on even date herewith.

Borrower has executed and delivered to Lender a Secured Promissory Note (the "Note") of even date herewith payable to the order of Lender in the principal sum of Twenty-six Thousand Dollars (\$26,000.00), bearing interest and payable as set forth in the Note, and due on the "Maturity Date" as defined therein.

In order to secure the payment of the indebtedness due under the Note (and all replacements, renewals and extensions thereof, in whole or in part) according to its tenor, and to secure the payment of all other sums which may be at any time due under the Note or this Mortgage (collectively sometimes referred to herein as "Indebtedness"); and to secure the performance and observance of all the provisions contained in this Mortgage and the Note, and to charge the properties, interests and rights hereinafter described with such payment, performance and observance, and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BORROWER DOES HEREBY:

MORTGAGE AND CONVEY unto Lender, its successors and assigns forever, the real Property ("Land") (as more fully described on Exhibit A attached hereto and made a part hereof),

TOGETHER WITH all improvements of every nature whatsoever now or hereafter situated on the Land, and all fixtures of every nature whatsoever now or hereafter owned by Borrower and located on or used or intended to be used in connection with the Land or the improvements thereon, or in connection with any construction thereon, and owned by Borrower, and all of Borrower's rights or payments now or hereafter made on such fixtures by Borrower or on its behalf (the "Improvements"),

TOGETHER WITH all easements, rights of way, gores of land, streets, ways, alleys, passages, sewer rights, waters, water courses, water rights and powers, and all estates, rights, titles, interests, privileges, liberties, tenements, hereditaments and appurtenances whatsoever, in any way now or hereafter belonging, relating or appertaining to the Land, and the reversions, remainders, rents, issues and profits thereof, and all the estate, right, title, interest, Property, possession, claim and demand whatsoever, at law as well as in equity, in and to the same,

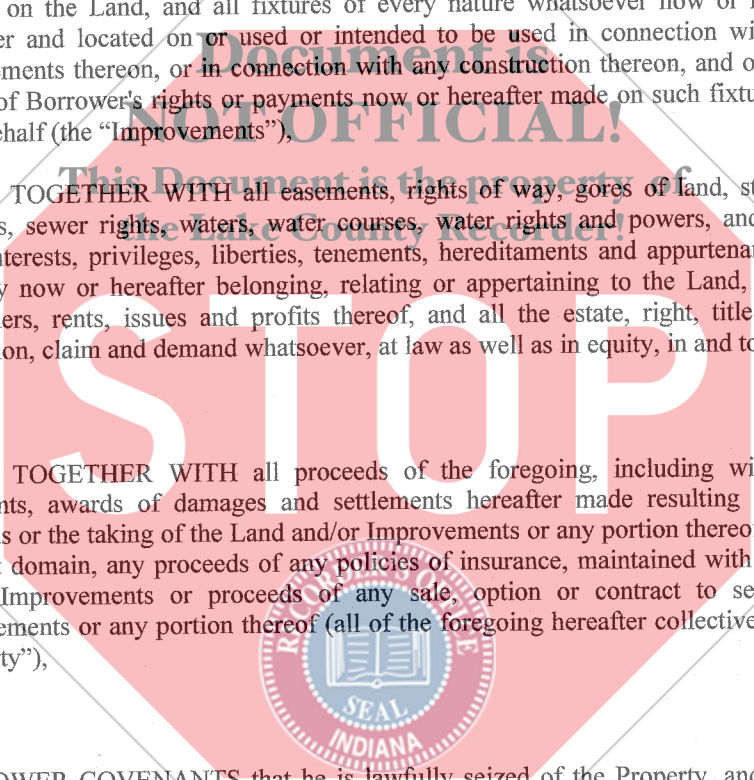
TOGETHER WITH all proceeds of the foregoing, including without limitation all judgments, awards of damages and settlements hereafter made resulting from condemnation proceeds or the taking of the Land and/or Improvements or any portion thereof under the power of eminent domain, any proceeds of any policies of insurance, maintained with respect to the Land and/or Improvements or proceeds of any sale, option or contract to sell the Land and/or Improvements or any portion thereof (all of the foregoing hereafter collectively referred to as the "Property"),

BORROWER COVENANTS that he is lawfully seized of the Property, and that he has lawful authority to mortgage the same, and that he will warrant and defend the title to the Property and the interests granted to Lender hereby, and the quiet and peaceful possession of the same against the claims of all persons whomsoever.

PROVIDED, NEVERTHELESS, that if Borrower shall pay in full when due the Indebtedness and

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shall timely perform and observe all of the provisions herein and in the Note to be performed and observed by the Borrower, then this Mortgage and the interest of Lender in the Property shall cease and become void, but shall otherwise remain in full force.

**BORROWER FURTHER AGREES AS FOLLOWS:**

1. **Payment of Indebtedness and Performance of Covenants.** Borrower shall (a) pay the Indebtedness when due and (b) punctually perform and observe all of the requirements of the Note and this Mortgage.

2. **Maintenance, Repair, Compliance with Law, Use, etc.** Borrower shall (a) promptly repair or restore any portion of the Property which may become damaged or be destroyed whether or not proceeds of insurance are available or sufficient for that purpose; (b) keep the Property in good condition and free from waste; (c) pay all operating costs of the Property; (d) complete, within a reasonable time, any building or other Improvements at any time in the process of erection upon the Land; (e) comply with all requirements of law relating to the Property and the use thereof; (f) refrain from any action and correct any condition which would increase the risk of fire or other hazard to the Improvements; (g) comply with any restrictions of record with respect to the Land; and comply with any conditions necessary to preserve and extend all rights that are applicable to the Property; and (h) cause the Property to be managed in a competent manner.

3. **Liens, Prohibition.** Subject to the provisions of Paragraph 4 hereof, Borrower shall not create or suffer or permit any encumbrance to attach to or be filed against the Property, from and after the date hereof that could become senior to this Mortgage.

4. **Taxes.**

4.1. *Payment.* Borrower shall pay when due all taxes, assessments, and charges of every kind levied or assessed against the Property or any interest therein or any obligation or instrument secured hereby, and all installments thereof (all herein generally called "Taxes"), whether or not assessed against Borrower, and Borrower shall furnish to Lender receipts therefor on or before the date the same are due; and shall discharge any claim or lien relating to Taxes upon the Property.

4.2. *Contest.* Borrower may, in good faith and with reasonable diligence, contest the validity or amount of any such Taxes, provided:

4.2.1. Such contest shall prevent the collection of the Taxes so contested and the sale or forfeiture of the Property or any part thereof or interest therein to satisfy the same;

4.2.2. Borrower has notified Lender in writing of the intention of Borrower to contest the same before any Tax has been increased by any interest, penalties, or costs; and

4.2.3. Borrower has deposited with Lender, at such place as Lender may from time to time in writing designate, a sum of money or other security acceptable to Lender that, when added to the monies or other security, if any, deposited with Lender, is sufficient, in Lender' judgment, to pay in full such contested Tax, including interest and penalties, and shall increase such deposit to cover additional interest and penalties whenever Lender deems such an increase advisable.

5. **Insurance Coverage.** Borrower will insure the Property against such perils and hazards, and in such amounts and with such limits, as Lender may from time to time require, and in any event will continuously maintain the following described policies of insurance (the "Insurance Policies"):

5.1. Casualty insurance against loss and damage by all risks of physical loss or damage, including fire, windstorm, flood, earthquake and other risks covered by the so-called extended

coverage endorsement in amounts not less than the full insurable replacement value of all Improvements, fixtures and equipment from time to time on the Property and bearing a replacement cost agreed amount endorsement;

5.2. Comprehensive public liability against death, bodily injury and Property damage with such limits as Lender may require;

5.3. *Intentionally left blank;*

5.4. Steam boiler, machinery and pressurized vessel insurance, if applicable;

5.5. If the Federal Insurance Administration (FIA) has designated the Property to be in a special flood hazard area and designated the community in which the Property are located eligible for sale of subsidized insurance, first and second layer flood insurance when and as available; and

5.6. The types and amounts of coverage as are customarily maintained by owners or operators of like properties.

6. **Insurance Policies.** All Insurance Policies shall be in form, companies and amounts reasonably satisfactory to Lender. All Insurance Policies shall (i) include, when available, non-contributing mortgagee endorsements in favor of and with loss payable to Lender, (ii) include standard waiver of subrogation endorsements, (iii) provide that the coverage shall not be terminated or materially modified without thirty (30) days' advance written notice to Lender and (iv) provide that no claims shall be paid thereunder without ten (10) days' advance written notice to Lender. Borrower will deliver all Insurance Policies premium prepaid, to Lender and will deliver renewal or replacement policies at least thirty (30) days prior to the date of expiration of any policy.

7. *Intentionally Left Blank.*

8. **Proceeds of Insurance.** Borrower will give Lender prompt notice of any loss or damage to the Property, and;

8.1. In case of loss covered by insurance policies, Lender (or, after entry of decree of foreclosure, the purchaser at the foreclosure sale or decree creditor, as the case may be) is hereby authorized at its option either (i) to settle and adjust any claim under such policies without the consent of Borrower, or (ii) to allow Borrower to settle or adjust such claims if such adjustment is carried out in a competent and timely manner. The expenses incurred by Lender in the adjustment and collection of insurance proceeds shall be so much additional Indebtedness and Borrower shall reimburse Lender for such expense upon demand.

8.2. In the event of any insured damage to the Property (herein called an "Insured Casualty"), and if, in the reasonable judgment of Lender, the Property can be restored to an economic unit not less valuable than the same was prior to the Insured Casualty, then, if Borrower shall not be in default hereunder, the proceeds of insurance shall be applied to reimburse Borrower for the cost of restoring or repairing the Property, as provided for in Paragraph 9 hereof, and Borrower shall diligently restore or repair the Property; provided that

Borrower shall pay all costs of such restoring or repairing in excess of the net proceeds of insurance made available pursuant to the terms hereof.

8.3. Except as provided in Paragraph 8.2, Lender may apply the proceeds of insurance consequent upon any Insured Casualty upon the Indebtedness in such order as Lender may elect; provided, however, that such application of proceeds shall not be considered a voluntary prepayment of the Note which would require the payment of any prepayment premium.

8.4. Whether or not proceeds of insurance are made available to Borrower for the

restoring or repairing of the Property, Borrower shall restore or repair the same to be of at least equal value and of substantially the same character as prior to such damage in accordance with plans and specifications to be approved in advance by Lender.

9. **Disbursement of Insurance Proceeds.** Insurance proceeds held by Lender for restoration or repairing of the Property shall be disbursed from time to time upon Borrower furnishing Lender with (i) evidence satisfactory to it of the estimated cost of the restoration or repair, (ii) funds sufficient in addition to the proceeds of insurance, to fully pay for the restoration or repair, and (iii) such architect's certificates, waivers of lien, contractor's sworn statements, title insurance endorsements, plats of survey and such other evidences of cost, payment and performance as Lender may require and approve. No payment made prior to the final completion of the restoration or repair shall exceed ninety percent (90%) of the value of the work performed from time to time, as such value shall be determined by Lender in its exclusive judgment; funds other than insurance proceeds shall be disbursed prior to disbursement of such proceeds; and at all times the undisbursed balance of such proceeds remaining in the hands of Lender, together with funds deposited or irrevocably committed, to the satisfaction of Lender, by or on behalf of Borrower to pay the cost of such repair or restoration shall be at least sufficient in the reasonable judgment of Lender to pay the entire unpaid cost of the restoration or repair free and clear of all liens or claims for lien. Any surplus of insurance proceeds held by Lender after payment of such costs of restoration or repair shall be paid to Borrower provided Borrower is not in default hereunder. No interest shall be allowed to Borrower on account of any proceeds of insurance or other funds held by Lender.

10. **Condemnation and Eminent Domain.** All awards (the "Awards") made to the owner of the Property, by any governmental or other lawful authority for the taking, by condemnation or eminent domain, of all or any part of the Property, are hereby assigned by Borrower to Lender. Lender is hereby authorized to give appropriate acquittances thereof. Borrower shall immediately notify Lender of the actual or threatened commencement of any condemnation or eminent domain proceedings affecting the Property and shall deliver to Lender copies of any papers served in connection with any such proceedings. Borrower shall make and deliver to Lender, at any time upon request, free of any encumbrance, all further assignments and other instruments deemed necessary by Lender for the purpose of assigning all Awards to Lender. If any portion of or interest in the Property is taken by condemnation or eminent domain, either temporarily or permanently, and the remaining portion of the Property is not, in the judgment of Lender, a complete economic unit having equivalent value to the Property as it existed prior to the taking, then, at the option of Lender, the entire Indebtedness shall immediately become due. After deducting from the Award for such taking all of its expenses incurred in the collection and administration of the Award, including attorney's fees, Lender shall be entitled to apply the net proceeds toward repayment of such portion of the Indebtedness as it deems appropriate without affecting the lien of this Mortgage. In the event of any partial taking of the Property or any interest in the Property, which, in the judgment of Lender leaves the Property as a complete economic unit having equivalent value to the Property as it existed prior to the taking, and provided no Default has occurred and is then continuing, the Award shall be applied to reimburse Borrower for the cost of restoration and rebuilding the Property in accordance with plans, specifications and procedures approved by Lender, and such Award shall be disbursed in the same manner as is hereinabove provided above for the application of insurance proceeds, provided that any surplus after payment of such costs shall be applied on account of the Indebtedness. If the Award is not applied for reimbursement of such restoration costs, the Award shall be applied against the Indebtedness, in such order or manner as Lender shall elect.

11. **Restrictions on Transfer.** Borrower shall not, without the prior written consent of Lender, effect, suffer or permit any "Prohibited Transfer" (as defined herein). Any conveyance, sale, assignment, transfer of any portion of the Property or the granting of any lien, pledge, mortgage, security interest or other encumbrance or alienation (or any agreement to do any of the foregoing) of shall constitute a "Prohibited Transfer", whether any such Prohibited Transfer is effected directly, indirectly, voluntarily or involuntarily, by operation of law or otherwise; provided, however, that the foregoing provisions of this Paragraph 11 shall not apply (i) to liens securing the Indebtedness or (ii) to the lien of current taxes and assessments not in default.

12. **Events of Default.** If one or more of the following events (herein called Events of

Default") shall occur then Borrower shall be in default under this Mortgage:

12.1. If Borrower shall, after the expiration of any applicable grace periods, fail to make payments of amounts owed under the Note or this Mortgage when due;

12.2. If any default shall exist after the expiration of any applicable grace periods under any other document or instrument regulating, evidencing, securing or guarantying any of the Indebtedness;

12.3. If a Prohibited Transfer shall have occurred;

12.4. If a default shall continue for fifteen (15) days after notice thereof by Lender to Borrower in the punctual performance or observance of any other agreement or condition herein contained;

12.5. If Borrower: (i) files a voluntary petition in bankruptcy or for relief under the Federal Bankruptcy Act or any similar state or federal law or (ii) files a pleading in any proceeding admitting insolvency;

12.6. Within forty-five (45) days after the filing against Borrower of any involuntary proceeding under the Federal Bankruptcy Act or similar state or federal law, such proceedings shall not have been vacated;

12.7. A substantial part of Borrower's assets are attached, seized, subjected to a writ or distress warrant, or are levied upon, unless such attachment, seizure, writ, warrant or levy is vacated within fifteen (15) days;

12.7. Borrower shall make an assignment for the benefit of creditors or shall consent to the appointment of a receiver or trustee or liquidator of all or the major part of the Property;

12.8. Any judicial order appointing a receiver, trustee or liquidator of Borrower or all or a major part of Borrower's Property or the Property is not vacated within forty-five (45) days following the entry thereof, then Lender may, at its option and without affecting the lien hereby created or the priority of said lien or any other right of Lender hereunder, to declare, without further notice, all Indebtedness to be immediately due with interest thereon at the Default Rate, whether or not such Default be thereafter remedied by Borrower, and Lender may immediately proceed to foreclose this Mortgage and to exercise any right provided by this Mortgage, the Note or otherwise.

13.

13.1 **Foreclosure.** When the Indebtedness shall become due, whether by acceleration or otherwise, Lender shall have the right to foreclose the lien hereof in accordance with the foreclosure laws of the State of Indiana and to exercise any other remedies of Lender provided in the Note, this Mortgage, the Loan Agreement, or which Lender may have at law, at equity or otherwise. In any suit to foreclose the lien hereof, there shall be allowed and included as additional Indebtedness in the decree of sale, all expenditures and expenses which may be paid or incurred by or on behalf of Lender for attorney's fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs, costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches and examinations, title insurance policies, and similar data and assurance with respect to title as Lender may deem reasonably necessary either to prosecute such suit or to evidence to bidders at sales which may be had pursuant to such decree the true conditions of the title to or the value of the Property, and any other expenses and expenditures which may be paid or incurred by or on behalf of Lender and permitted by the Act to be included in such decree. All expenditures and expenses of the nature mentioned in this Paragraph, and such other expenses and fees as may be incurred in the protection of the Property and rents and income therefrom and the maintenance of the lien of this Mortgage, including the fees of any attorney employed by Lender in any litigation or proceedings affecting

this Mortgage, the Note or the Property, including probate and bankruptcy proceedings, or in preparation of the commencement or defense of any proceedings or threatened suit or proceeding, or otherwise in dealing specifically therewith, shall be so much additional Indebtedness and shall be immediately due and payable by Borrower, with interest thereon at the Default Rate until paid.

13.2 *Intentionally left blank.*

13.3 **Mortgagee May Cure Defaults.** In the event of any default by Mortgagor of any kind under this Mortgage or any Obligation secured by this Mortgage, Mortgagee may cure the default and all sums paid by Mortgagee for such purpose shall immediately be repaid by Mortgagor with interest at the rate then in effect under the Obligation secured by this Mortgage and shall constitute a lien upon the Property.

13.4 **Notice.** Unless otherwise provided in the Obligation secured by this Mortgage, prior to any acceleration (other than under paragraph 9, below) Mortgagee shall mail notice to Mortgagor specifying: a) the default; b) the action required to cure the default; c) a date, not less than 15 days from the date the notice is mailed to Mortgagor by which date the default must be cured; and d) that failure to cure the default on or before the date specified in the notice may result in acceleration.

13.5 **Foreclosure restriction.** In no event shall Lender foreclose or have the right to foreclose the lien hereof unless Edwin J. Chromchik and Geraldine M. Chromchik are both deceased or no longer living in the Property.

14. **Right of Possession.** When the Indebtedness shall become due, whether by acceleration or otherwise, or if Lender has a right to institute foreclosure proceedings, Borrower shall, forthwith upon demand of Lender, surrender to Lender, and Lender shall be entitled to be placed in possession of the Property as provided in the Act and Lender, in its discretion and pursuant to court order, may reasonably, by its agent or attorneys, enter upon and take and maintain possession of all or any part of the Property, together with all documents, books, records and accounts of Borrower or the then owner of the Property relating thereto, and may exclude Borrower, such owner, and any agents and servants thereof wholly therefrom and may, on behalf of Borrower or such owner, or in its own name as Lender and under the powers herein granted: all powers of a mortgagee in possession to the broadest extent allowable under applicable Indiana law, including, but not limited to the following:

14.1. Hold, manage, and control all or any part of the Property and conduct the business, if any, thereof, either personally or by its agents, with full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary to enforce the payment or security of the rents, issues, deposits, profits, and avails of the Property;

14.2. Cancel or terminate any Lease or sublease of all or any part of the Property for any cause or on any ground that would entitle Borrower to cancel the same;

14.3. Extend or modify any then existing Leases and make new Leases of all or any part of the Property, which extensions, modifications, and new Leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the loan evidenced by the Note and the issuance of a deed to a purchaser at a foreclosure sale, it being understood and agreed that any such Leases, and the options or other such provisions to be contained therein, shall be binding upon Borrower, all persons whose interests in the Property are subject to the lien hereof, and the purchaser at any foreclosure sale, notwithstanding any redemption from sale, reinstatement, discharge of the Indebtedness, satisfaction of any foreclosure decree, or issuance of any certificate of sale or deed to any such purchaser;

14.4. Make all necessary or proper repairs, decoration renewals, replacements, alterations, additions, betterments, and improvements in connection with the Property as may seem judicious to Lender, to insure and reinsure the Property and all risks incidental to Lender's possession, operation, and management thereof, and to receive all rents, issues, deposits, profits, and avails therefrom; and

14.5. The net income, after allowing a reasonable fee for the collection thereof and for the management of the Property, to the payment of Taxes, Premiums and other charges applicable to the Property, or in reduction of the Indebtedness Hereby Secured in such order and manner as Lender shall select.

Without limiting the generality of the foregoing, Lender shall have all power, authority and duties as provided in the Act. Nothing herein contained shall be construed as constituting Lender a mortgagee in possession in the absence of the actual taking of possession of the Property.

15. **Receiver.** Upon the filing of a complaint to foreclose this Mortgage or at any time thereafter, the court in which such complaint is filed may appoint upon petition of Lender, and at Lender's sole option, a receiver of the Property pursuant to the Act. Such appointment may be made either before or after sale, without notice, without regard to solvency or insolvency of Borrower at the time of application for such receiver, and without regard to the then value of the Property or whether the same shall be then occupied as a homestead or not; and Lender hereunder or any employee or agent thereof may be appointed as such receiver. Such receiver shall have all powers and duties prescribed by the Act, including the power to make leases to be binding upon all parties, including the mortgagor, the purchaser at a sale pursuant to a judgment of foreclosure and any person acquiring an interest in the Property after entry of a judgment of foreclosure, all as provided in the Act. In addition, such receiver shall also have the power to extend or modify any then existing leases, which extensions and modifications may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the maturity date of the Note and beyond the date the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other provisions to be contained therein, shall be binding upon Borrower and all the persons whose interest in the Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption, reinstatement, discharge of the Indebtedness, satisfaction of any foreclosure judgment, or issuance of any certificate of sale or deed to any purchaser. In addition, such receiver shall have the power to collect the rents, issues and profits of the Property during the pendency of such foreclosure suit and, in case of a sale and deficiency, during the full statutory period of redemption, if any, whether there be a redemption or not, as well as during any further times when Borrower, except for the intervention of such receiver, would be entitled to collection of such rents, issues and profits, and such receiver shall have all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the Property during the whole of said period. The court may, from time to time, authorize the receiver to apply the net income from the Property in payment in whole or in part of: (a) the Indebtedness or the indebtedness secured by a decree foreclosing this Mortgage, or any tax, special assessment, or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to the foreclosure sale; or (b) the deficiency in case of a sale and deficiency.

16. **Foreclosure Sale.** Except to the extent otherwise required by the Act, the proceeds of any foreclosure sale of the Property shall be distributed and applied in the following order of priority: First, all items which under the terms hereof constitute Indebtedness additional to the principal and interest evidenced by the Note in such order as Lender shall elect with interest thereon as herein provided; and Second, all principal and interest remaining unpaid on the Note in such order as Lender shall elect; and lastly any surplus to Borrower and its successors and assigns, as their rights may appear.

17. **Insurance During Foreclosure.** In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any Insurance Policy, if not applied in rebuilding or restoring the Improvements, shall be used to pay the amount due in accordance with any decree of foreclosure that may be entered in any such proceedings, and the balance shall be paid as the court may direct. The foreclosure decree may provide that the mortgagee's clause attached to each of the casualty Insurance Policies may be cancelled and that the decree creditor may cause a new loss clause to be attached to each of said casualty Insurance Policies making the loss thereunder payable to said decree creditors. The foreclosure decree may further provide that in the case of one or more redemptions under said decree, each successive redelector may cause the preceding loss clause attached to each casualty Insurance Policy to be cancelled and a new loss payable clause to be attached thereto, making the loss thereunder payable to such

redemptor. In the event of foreclosure sale, Lender may, without the consent of Borrower, assign any Insurance Policies to the purchaser at the sale, or take such other steps to protect the interest of such purchaser.

18. **Waiver of Right of Redemption and Other Rights.** To the full extent permitted by law, Borrower agrees that it will not at any time or in any manner whatsoever take any advantage of any stay, exemption or extension law or any so-called "Moratorium Law" now or at any time hereafter in force, nor take any advantage of any law now or hereafter in force providing for the valuation or appraisal of the Property, or any part thereof, prior to any sale thereof to be made pursuant to any provisions herein contained, or to any decree, judgment or order of any court of competent jurisdiction; or after such sale claim or exercise any rights under any statute now or hereafter in force to redeem the Property so sold, or any part thereof, or relating to the marshalling thereof, upon foreclosure sale or other enforcement hereof. To the full extent permitted by law, Borrower hereby expressly waives any and all rights it may have to require that the Property be sold as separate tracts or units in the event of foreclosure. To the full extent permitted by law, Borrower hereby expressly waives any and all rights of redemption under the Act, on its own behalf, on behalf of all persons claiming or having an interest (direct or indirect) by, through or under Borrower and on behalf of each and every person acquiring any interest in or title to the Property subsequent to the date hereof, it being the intent hereof that any and all such rights of redemption of Borrower and such other persons, are and shall be deemed to be hereby waived to the full extent permitted by applicable law. To the full extent permitted by law, Borrower agrees that it will not, by invoking or utilizing any applicable law or laws or otherwise, hinder, delay or impede the exercise of any right, power or remedy herein or otherwise granted or delegated to Lender, but will permit the exercise of every such right, power and remedy as though no such law or laws have been or will have been made or enacted. To the full extent permitted by law, Borrower hereby agrees that no action for the enforcement of the lien or any provision hereof shall be subject to any defense which would not be good and valid in an action at law upon the Note. Borrower acknowledges that the Property does not constitute agricultural real estate.

19. **Lender's Performance of Borrower's Obligations.** In case of and Event of Default hereunder, either before or after acceleration of the Indebtedness or the foreclosure of the lien hereof and during the period of redemption, if any, Lender may, but shall not be required to, make any payment or perform any act herein required of Borrower (whether or not Borrower is personally liable therefore) in any form and manner deemed expedient to Lender. Lender may, but shall not be required to, complete construction, furnishing and equipping of the Improvements and rent, operate and manage the Property and the Improvements and pay operating costs and expenses, including management fees, of every kind and nature in connection therewith, so that the Property shall be operational and useable for their intended purposes. All monies paid, and all expenses incurred in connection therewith, including attorneys' fees, shall be so much additional Indebtedness, whether or not the Indebtedness, as a result thereof, shall exceed the face amount of the Note, and shall become immediately due and payable on demand, and with interest thereon at the Default Rate specified in the Note (the "Default Rate"). Inaction of Lender shall not be a waiver of any right accruing to it on account of any Event of Default nor shall the provisions of this Paragraph or any exercise by Lender of its rights hereunder prevent any default from constituting an Event of Default. Lender, in making any payment hereby authorized (a) relating to Taxes, may do so according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof; (b) for the purchase, discharge, compromise or settlement of any lien, may do so without inquiry as to the validity or amount of any claim for lien which may be asserted; or (c) in connection with the completion of construction, furnishing or equipping of the Property or the rental, operation or management of the Property or the payment of operating costs and expenses thereof, may do so in such amounts and to such persons as Lender may deem appropriate. Nothing contained herein shall be construed to require Lender to advance or expend monies for any purpose.

20. **Rights Cumulative.** Each right herein conferred upon Lender is cumulative and in addition to every other right provided by law or in equity, and Lender may exercise each such right in any manner deemed expedient to Lender. Lender's exercise or failure to exercise any right shall not be deemed a waiver of that right or any other right or a waiver of any default. Except as otherwise specifically required herein, Lender is not required to give notice of its exercise of any of its right under this Mortgage.



21. **Successors and Assigns.**

21.1. *Holder of the Note.* This Mortgage and each provision hereof shall be binding upon Borrower and his heirs, personal representatives, successors and assigns (including, without limitation, each and every record owner from time to time of the Property or any other person having an interest therein), and shall inure to the benefit of Lender and its successors and assigns. Wherever herein Lender is referred to, such reference shall be deemed to include the holder from time to time of the Note and each such holder of the Note shall have all of the rights afforded hereby and may enforce the provisions hereof, as fully as if Lender had designated such holder of the Note herein by name.

21.2. *Covenants Run with Land; Successor Owners.* All of the covenants of this Mortgage shall run with the Land and be binding on any successor owners of the Land. If the ownership of Property or any portion thereof becomes vested in a person other than Borrower, Lender may, without notice to Borrower, deal with such person with reference to this Mortgage and the Indebtedness in the same manner as with Borrower without in any way releasing Borrower from its obligations hereunder. Borrower will give immediate written notice to Lender of any conveyance, transfer or change of ownership of the Property, but nothing in this Paragraph shall vary the provisions of Paragraph 12 hereof.

22. **Effect of Extensions and Amendments.** If the payment of the Indebtedness be extended or varied, or if any part of the security or guaranties therefore be released, all persons at any time liable therefore, or interested in the Property, shall be held to assent to such extension, variation or release, and their liability, and the lien, and all provisions hereof, shall continue in full force and effect; the right of recourse against all such persons being expressly reserved by Lender, notwithstanding any such extension, variation or release. Any person, firm or corporation taking a junior mortgage, or other lien upon the Property or any part thereof or any interest therein, shall take the said lien subject to the rights of Lender to amend, modify, extend or release the Note, this Mortgage or any other document or instrument evidencing, securing or guarantying the Indebtedness, in each case without obtaining the consent of the holder of such junior lien and without the lien of this Mortgage losing its priority over the rights of any such junior lien.

23. **Environmental Matters.** Except as may otherwise be shown in the Environmental Site Assessments obtained by Borrower in connection with Borrower's development, Borrower represents that it is currently in compliance with, and covenants and agrees that, it will manage and operate the Property and will cause each tenant to occupy its demised portion of the Property in compliance with, all federal, state and local laws, rules, regulations and ordinances regulating, without limitation, air pollution, soil and water pollution, and the use, generation, storage, handling or disposal of hazardous or toxic substances or other materials (including, without limitation, raw materials, products, supplies or wastes). Borrower further covenants and agrees that it shall not install or permit to be installed in the Property asbestos or any substance containing asbestos and deemed hazardous by or in violation of federal, state or local laws, rules, regulations or orders respecting such material. Borrower shall remove from the Property and dispose of any such hazardous or toxic substances or other materials in a manner consistent with and in compliance with applicable laws, rules, regulations and ordinances and shall take any and all other action to remedy, rectify, rehabilitate and correct any violation of any applicable law, rule, regulation or ordinance concerning toxic or hazardous substances or any violation of any agreement entered into between Borrower, Lender and/or any third party with respect to hazardous or toxic materials. Borrower shall send to Lender within five (5) days of receipt thereof, any citation, notice of violation or other notice of potential liability from any governmental or quasi-governmental authority empowered to regulate or oversee any of the foregoing activities. Borrower agrees to indemnify, defend with counsel reasonably acceptable to Lender (at Borrower's sole cost), and hold Lender harmless against any claim, response or other costs, damages, liability or demand (including, without limitation, reasonable attorneys' fees and costs incurred by Lender) arising out of any claimed violation by Borrower of any of the foregoing laws, regulations or ordinances or breach of any of the foregoing covenants or agreements. The foregoing indemnity shall survive repayment of the Indebtedness.

24. **Future Advances.** At all times, regardless of whether any loan proceeds have been disbursed, this Mortgage secures as part of the Indebtedness the payment of all loan commissions,

service charges, liquidated damages, attorneys' fees, expenses and advances due to or incurred by Lender in connection with the Indebtedness, all in accordance with the Note and this Mortgage; provided, however, that in no event shall the total amount of the Indebtedness, including loan proceeds disbursed plus any additional charges, exceed two hundred percent (200%) of the face amount of the Note. All such advances are intended by the parties hereto to be a lien on the Property from the time this Mortgage is recorded, as provided in the Act.

25. **Subrogation.** If any part of the Indebtedness is used directly or indirectly to satisfy, in whole or in part, any prior encumbrance upon the Property or any part thereof, then Lender shall be subrogated to the rights of the holder thereof in and to such other encumbrance and any additional security held by such holder, and shall have the benefit of the priority of the same.

26. **Option to Subordinate.** At the option of Lender, this Mortgage shall become subordinate, in whole or in part (but not with respect to priority of entitlement to insurance proceeds or any award in condemnation) to any leases of all or any part of the Property upon the execution by Lender and recording thereof, at any time hereafter, in the Office of the Recorder of Deeds for the county wherein the Property are situated, of a unilateral declaration to that effect.

27. **Governing Law.** The place of negotiation, execution, and delivery of this Mortgage and the location of the Property being the State of Indiana, this Mortgage shall be construed and enforced according to the laws of that State, without reference to the conflicts of law principles of that State.

28. *Intentionally Left Blank.*

29. *Intentionally left blank*

30. *Intentionally left blank*

31. **Time of the Essence.** Time is of the essence of the Note, this Mortgage, and any other document or instrument evidencing or securing the Indebtedness.

32. **Captions and Pronouns.** The captions and headings of the various sections of this Mortgage are for convenience only, and are not to be construed as limiting in any way the scope or intent of the provisions hereof. Whenever the context requires or permits, the singular shall include the plural, the plural shall include the singular, and the masculine, feminine and neuter shall be freely interchangeable.

33. **Notice.** Any and all notices given in connection with this Agreement shall be deemed adequately given only if in writing and personally delivered or sent registered or certified mail, return receipt requested, postage prepaid, to the party or parties for whom such notices are intended or delivered by Federal Express or other nationally recognized overnight courier. A written notice shall be deemed to have been given to the recipient party on the earliest of: (i) the date it shall be delivered to the applicable party or delivered to the address required by this Agreement; (ii) the date delivery shall have been refused at the address required by this Agreement; or (iii) with respect to notices sent by certified mail but not delivered, the date as of which the postal service shall have indicated such notice to be undeliverable at the address required by this Agreement. No signature shall be required by the intended recipient for any notice sent by overnight courier. Unless and until the address, email address or facsimile number for Notices is changed as provided in this Agreement, all Notices shall be addressed as follows. Unless and until the address for notices is changed as provided in this Agreement, all notices shall be addressed as follows:

If to Borrower:

c/oEdwin Chromcik  
6339 W 135<sup>th</sup> Place  
CedarLake,IN46303

If to Lender:

Jeff Ogle  
6516 Glen Devon Rd  
Rockford,IL61114

And

Joseph West  
20262 Jarvis Hollow  
Richland Center, WI 53581

Except as otherwise specifically required herein, notice of the exercise of any right, power or option granted to Lender by this Mortgage is not required to be given.

34. **Attorney Fees.** In the event it becomes necessary for Lender to commence litigation to enforce its rights under this Mortgage it shall be entitled to recover its costs and expenses, including, but not limited to, reasonable attorneys' fees, incurred in connection therewith.

Borrower:

Edwin J. Chromchik  
Edwin J. Chromchik

Geraldine M. Chromchik  
Geraldine M. Chromchik

**ACKNOWLEDGMENT**

STATE OF ~~KXXK~~ Indiana  
SS

COUNTY OF ~~IXXX~~ Lake

Personally came before me this 20 day of December, 2011, the above named Edwin J. Chromchik and Geraldine M. Chromchik to me known to be the persons who executed the foregoing instrument and acknowledged the same.

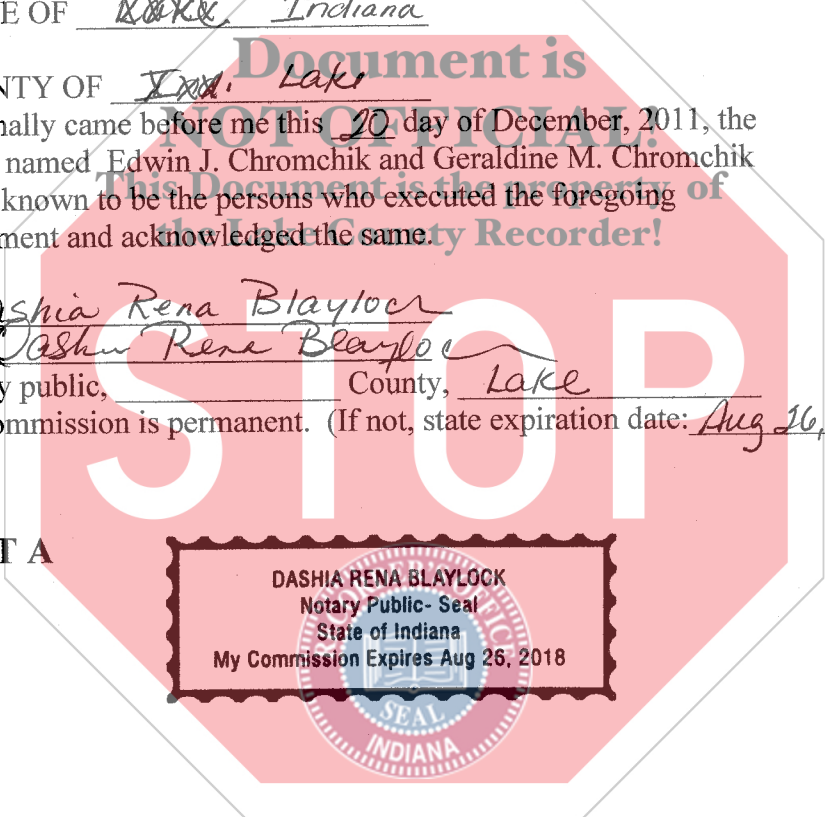
Dashia Rena Blaylock  
\* Dashia Rena Blaylock

Notary public, \_\_\_\_\_ County, Lake

My commission is permanent. (If not, state expiration date: Aug 26, 2018 )

**EXHIBIT A**

DASHIA RENA BLAYLOCK  
Notary Public - Seal  
State of Indiana  
My Commission Expires Aug 26, 2018



**EXHIBIT A**

Unit Two (2) Lot Eighty Seven (87), Robins Nest Subdivision, in the Town of Cedar Lake,  
Center Township, Lake County, Indiana

