

2012 058322

2012 AUG 28 AM 9:43

COLLATERAL AGREEMENT COVERING LOANS TO THIRD PARTY

Merrillville, Indiana August 21, 2012
DATE

729220 (nv)

KNOW ALL MEN BY THESE PRESENTS that, in consideration of any loan or other financial accommodation heretofore or hereafter at any time made or granted to NEW TOWN, LLC

(hereinafter called "Customer") or to the undersigned (or any of them), by CENTIER BANK, MERRILLVILLE, INDIANA (hereinafter, together with its successors and assigns, called the "Bank"), the undersigned mortgages and warrants to Bank, to secure the payment of the Liabilities (hereinafter defined), the real property and/or real property interests described on Exhibit A, which is attached hereto and made a part hereof (the "Collateral"). The term "Liabilities", as used herein, shall mean all obligations of the Customer or the undersigned (or any of them) to the Bank, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, or now or hereafter existing, or due or to become due. The undersigned waive(s) notice of the existence or creation of all or any of the Liabilities.

Any of the undersigned who has delivered, pledged, assigned or transferred any property to the Bank, or who may hereafter do so, warrants to the Bank that such undersigned is, or at the time of any such future delivery, pledge, assignment or transfer will be, the lawful owner of such property, free of all mortgages, claims and liens other than the interest granted hereunder, with full right to deliver, pledge, assign and transfer such property to the Bank as Collateral hereunder.

Non-payment, when due, whether by acceleration or otherwise, of any amount payable on any of the Liabilities shall constitute a default hereunder. Upon such default, Bank will have the right to foreclose the lien hereof in accordance with the laws of Indiana and to exercise any other remedies of Bank provided herein and/or in any of the other documents executed in connection herewith or in connection with the Liabilities, or which Bank may have at law, at equity or otherwise. In any suit to foreclose the lien hereof, there will be allowed and included as additional Liabilities in the decree of sale, all expenditures and expenses which may be paid or incurred by or on behalf of Bank 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 Bank 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 Collateral, and any other expenses and expenditures which may be paid or incurred by or on behalf of Bank and permitted by the laws of Indiana 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 Collateral and rents and income therefrom and the maintenance of the lien hereof, including the fees of any attorney employed by Bank in any litigation or proceedings affecting this agreement or the Collateral, 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, will be so much additional Liabilities and will be immediately due and payable by the undersigned, with interest thereon at the default rate provided with respect to the Liabilities until paid.

The Bank may, furthermore, from time to time, whether before or after any of the Liabilities shall be come due and payable, without notice to the undersigned (or any of them), take all or any of the following actions: (a) retain or obtain a mortgage or security interest in any property, in addition to the Collateral, to secure any of the Liabilities, (b) retain or obtain the primary or secondary liability of any part or parties, in addition to the Customer or the undersigned (or any of them) with respect to any of the Liabilities, (c) extend or renew for any period, (whether or not longer than the original period) or exchange any of the Liabilities or release or compromise any obligation of any nature of any party with respect thereto, (d) surrender, release or exchange all or any part of any property, in addition to the Collateral, securing any of the Liabilities, or compromise or extend or renew for any period (whether or not longer than the original period) any obligations of any nature of any party with respect to any such property, and (e) resort to the Collateral for payment of any of the Liabilities whether or not it shall have resorted to any other property securing the Liabilities or shall have proceeded against any party primarily or secondarily liable on any of the Liabilities.

Any proceeds of any disposition of Collateral may be applied by the Bank to the payment of expenses in connection with the Collateral, including reasonable attorneys' fees and legal expenses, and any balance of such proceeds may be applied by the Bank toward the payment of such of the Liabilities, and in such order of application, as the Bank may from time to time elect. All rights and remedies of the Bank expressed hereunder are in addition to all other rights and remedies possessed by it, including those under any other agreement or instrument relating to any of the Liabilities or any security therefore. No delay on the part of the Bank in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by the Bank of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. No action of the Bank permitted hereunder shall impair or affect the rights of the Bank in and to the Collateral.

This Agreement has been made and delivered at Merrillville, Indiana, and shall be governed by the laws of the State of Indiana. Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Address
123 North Main Street #202
Crown Point, IN 46307

F & H Properties, Inc.
By: [Signature]
Thomas J. Fleming, President

Chicago Title Insurance Company
CTIC Has made an accomodation recording of the instrument.

AMOUNT \$ 17⁰⁰
CASH CHARGE CT
CHECK#
OVERAGE
COPY
NON-CONF
DEPUTY AM

ACKNOWLEDGMENT.
(BUSINESS OR ENTITY)

STATE OF INDIANA, COUNTY OF LAKE ss.

Before me, MARY KADISH FLEMING, a Notary Public this 21ST day of AUGUST, 2012, Thomas J. Fleming OF President F: H PROPERTIES, INC. acknowledged the execution of the annexed instrument.

My commission expires:



(Notary Public) Mary Kadish Fleming
(Notary's County) LAKE

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.

Name: Stephanie Schrage

Printed Name: Stephanie Schrage

This instrument was prepared by Stephanie A. Schrage, Vice President CENTIER BANK, 600 EAST 84TH AVENUE, MERRILLVILLE, Indiana 46410



EXHIBIT A

915 Lake Street, Crown Point, IN 46307

Mortgage dated September 7, 2011 given by F & H Properties, Inc. recorded on March 26, 2012 as Document Number 2012 020777 in the Office of the Recorder of Lake County, Indiana.

Assignment of Rents dated September 7, 2011 given by F & H Properties, Inc. recorded on a March 26, 2012 as Document Number 2012 020778 in the Office of the Recorder of Lake County, Indiana.

Lot 47 in Old Town Unit 1, as per plat thereof, recorded in Plat Book 101 page 97, in the Office of the Recorder of Lake County, Indiana.

123 North Main Street #102, Crown Point, IN 46307

Mortgage dated March 9, 2012 given by F & H Properties, Inc. recorded March 9, 2012 as Document 2012 044649 in the Office of the Recorder of Lake County, Indiana.

Assignment of Rents dated March 9, 2012 given by F & H Properties, Inc. recorded July 9, 2012 as Document Number 2012 044650 in the Office of the Recorder of Lake County, Indiana.

Unit 1B in New Town West Condominium, a Horizontal Property Regime, in the City of Crown Point, as created by Declaration of Condominium Ownership for New Town West Condominium, recorded December 8, 2008 as Document No. 2008 082666, and Second Amendment thereto recorded December 30, 2010 as Document No. 2010 077425 and Site Plan recorded December 30, 2010 in Plat Book 104, page 85, and Third Amendment thereto and Site Plan recorded September 26, 2011 as Document No. 2011 052849 and re-recorded October 7, 2011 as Document No. 2011 055614, in the Office of the Recorder of Lake County, Indiana, together with an undivided interest in the Common Elements appertaining thereto.

123 North Main Street #101, Crown Point, IN 46307

Mortgage dated September 28, 2011 given by F & H Properties, Inc. recorded on October 7, 2011 as Document Number #2011 055670 and re-recorded on November 21, 2011 as Document Number #2011 066260 in the Office of the Recorder of Lake County, Indiana.

Assignment of Rents dated September 28, 2011 given by F & H Properties, Inc. recorded on October 7, 2011 as Document Number #2011 055671 and re-recorded on November 21, 2011 as Document Number #2011 066261 in the Office of the Recorder of Lake County, Indiana.

Unit 1D in New Town West Condominium, a Horizontal Property Regime, in the City of Crown Point, as created by Declaration of Condominium Ownership for New Town West Condominium, recorded December 8, 2008 as Document No. 2008 082666, and Second Amendment thereto recorded December 30, 2010 as Document No. 2010 077425 and Site Plan recorded December 30, 2010 in Plat Book 104, page 85, and Third Amendment thereto and Site Plan recorded September 26, 2011 as Document No. 2011 052849 in the Office of the Recorder of Lake County, Indiana, together with an undivided interest in the Common Elements appertaining thereto.

123 North Main Street #209, Crown Point, IN 46307

Mortgage dated February 10, 2009 given by F & H Properties, Inc. recorded on February 18, 2009 as Document Number #2009 009598 in the Office of the Recorder of Lake County, Indiana.

Assignment of Leases and Rents dated February 10, 2009 given by F & H Properties, Inc. recorded on February 18, 2009 as Document Number #2009 009599 in the Office of the Recorder of Lake County, Indiana.

Unit 2A, in New Town West Condominium, a Horizontal Property Regime, in the City of Crown Point, as created by Declaration of Condominium Ownership for New Town West Condominium, recorded December 8, 2008 as Document No. 2008 082666, in the Office of the Recorder of Lake County, Indiana; together with an undivided 7.0% interest in the Common Elements Appurtenant to said Unit, as reflected in the Declaration of Condominium Ownership, and subsequent Amendments and/or supplements thereto.

700/800 North Main Street, Crown Point, IN 46307

Mortgage dated March 9, 2012 given by F & H Properties, Inc. recorded on July 9, 2012 as Document Number 2012 044651 in the Office of the Recorder of Lake County, Indiana.

Mortgage dated June 12, 2003 given by F & H Properties, Inc. recorded on June 19, 2003 as Document Number #2003 063141 in the Office of the Recorder of Lake County, Indiana.

Assignment of Leases and Rents dated June 22, 2011 given by F & H Properties, Inc. recorded on a Certain Date under a Certain Document Number in the Office of the Recorder of Lake County, Indiana.

Parcel 1:

Part of the West ½, Northwest ¼, Southeast ¼ Section 5, Township 34 North, Range 8 West of the Second Principal Meridian, described as follows: Beginning at a point on the West line of said Southeast ¼ and 797.2 feet South of the center of said Section; thence North along said West line 142.2 feet more or less to a point 5 feet north of the Southwest corner of the Northwest ¼, Northwest ¼, South east ¼ of said Section 5; thence East 158.6 feet; thence North parallel to the West line of said Southeast ¼ a distance of 84.2 feet to the Southerly right-of- way line of the P.C.C. and St. Louis Railroad; thence North 45 degrees 42 minutes 46 seconds East, 50.00 feet to the centerline of said railroad; thence South 44 degrees 17 minutes 14 seconds East 35.74 feet along said centerline; thence north 45 degrees 42 minutes 46 seconds East, 30.00 feet; thence South 44 degrees 17 minutes 14 seconds East parallel to said centerline a distance of 264.14 feet more or less to the centerline of Merrillville Road; thence South 19 degrees 26 minutes 24 seconds West along the centerline of Merrillville Road a distance of 206.03 feet more or less to a point 117.2 feet Southwesterly of the Southwesterly line of said railroad measured along the centerline of Merrillville Road; thence North 62 degrees 23 minutes 00 seconds West 111.22 feet along the South line of the tract conveyed by John G. Wehner to Adam Gerlach, May 29, 1913; thence North 89degrees 40 minutes 56 seconds West 98.68 feet more or less to a point 872.2 feet South and 158.6 feet East of the center of said Section 5; thence North 00 degrees 06 minutes 37 seconds West, 75.00 feet; thence North 89 degrees 40 Minutes 56 seconds West, 158.60 feet more or less to the point of beginning.

Parcel 2:

Part of the West Half of the Northwest Quarter of the Southeast Quarter of Section 5, Township 34 North, Range 8 West of the 2nd Principal Meridian, described as beginning at a point 797.2 feet South of the Northwest corner thereof, thence East 158.6 feet; thence South 75 feet; thence West 158.6 feet to the center of Main Street; thence North on the center line of Main Street 75 feet to the place of beginning, in Crown Point, Lake County, Indiana.

1136 Hyde Park, Crown Point, IN 46307

Mortgage dated September 7, 2011, given by F & H Properties, Inc recorded on a March 26, 2012 as Document Number 2012 020780 in the Office of the Recorder of Lake County, Indiana.

Assignment of Rents dated September 7, 2011 given by F & H Properties, Inc recorded on March 26, 2012 as Document Number 2012 020781 in the Office of the Recorder of Lake County, Indiana;

Lot 2 in The Highlands of Ellendale Farm Unit One, in the City of Crown Point, as per plat thereof, recorded in Plat Book 102 page 9, in the Office of the Recorder of Lake County, Indiana.

