

Prepared by and return to:   
 Monica Anderson   
 CGB Agri Financial Services, Inc   
 2209 River Road   
 Louisville, KY 40206   
 502-899-2930

5 ORIGINAL

REAL ESTATE MORTGAGE (LEASE)

Lease No.680-C33-01198

THIS MORTGAGE, made this 1st day of August, 2012 by and between Moon Island Farms Partnership of 2214 W 203<sup>rd</sup> Ave, Lowell, Indiana, 46356 (hereinafter referred to as "Mortgagor"), and CGB Agri Financial Services, Inc., a Commonwealth of Kentucky Corporation, (hereinafter referred to as "Mortgagee") of 2209 River Road, Louisville, Jefferson County, Kentucky 40206.

For valuable consideration, Mortgagor does hereby grant, sell, mortgage and warrant to Mortgagee, its successors and assigns, forever, the real estate in Lake County, Indiana, described in Exhibit A to this Mortgage, which is by this reference made a part of this Mortgage, together with all the tenements, hereditaments and appurtenances belonging or in any way appertaining to this real estate. All of the preceding property and property rights, including the real estate described in Exhibit A are after this collectively called "the premises."

THIS MORTGAGE SECURES THE FOLLOWING:

The payment and performance of Mortgagor's obligations under and with respect to a Lease dated August 1, 2012, between Mortgagor as lessee and Mortgagee as lessor, (hereinafter referred to as "Lease") and any other agreements or documents now or hereafter executed or delivered by Mortgagor in connection with the Lease (collectively, with the Lease, all as amended, extended, renewed, modified or supplemented, the "Lease Documents"), which include:

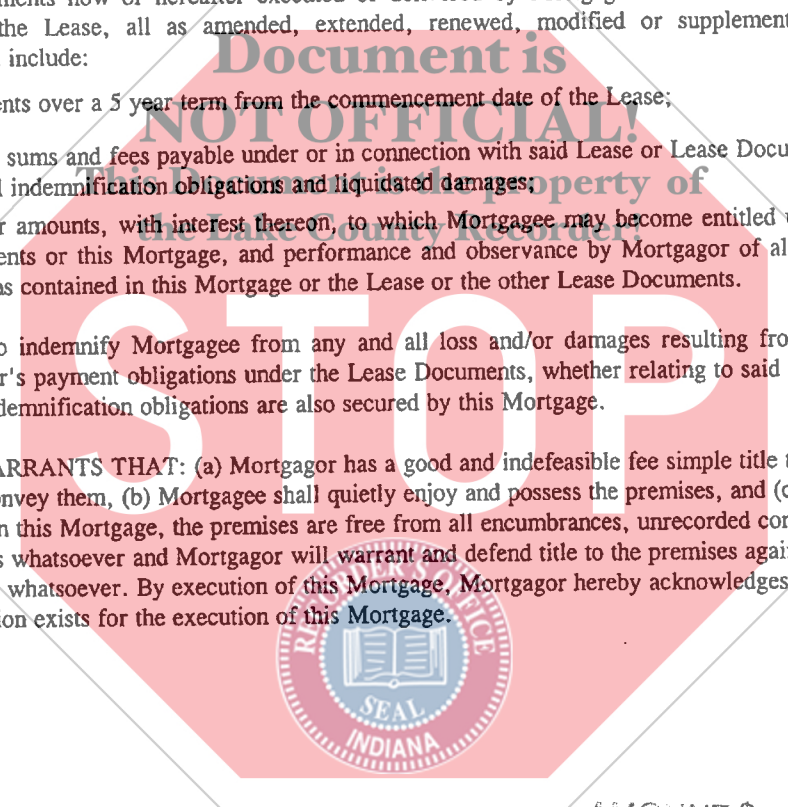
Annual rental payments over a 5 year term from the commencement date of the Lease;

Payment of all other sums and fees payable under or in connection with said Lease or Lease Documents, including without limitation all indemnification obligations and liquidated damages;

Payment of all other amounts, with interest thereon, to which Mortgagee may become entitled under any of the other Lease Documents or this Mortgage, and performance and observance by Mortgagor of all the warranties, agreements and terms contained in this Mortgage or the Lease or the other Lease Documents.

Mortgagor agrees to indemnify Mortgagee from any and all loss and/or damages resulting from the breach or default of Mortgagor's payment obligations under the Lease Documents, whether relating to said rent payments or otherwise, which indemnification obligations are also secured by this Mortgage.

MORTGAGOR WARRANTS THAT: (a) Mortgagor has a good and indefeasible fee simple title to the premises and good right to convey them, (b) Mortgagee shall quietly enjoy and possess the premises, and (c) except as expressly set forth in this Mortgage, the premises are free from all encumbrances, unrecorded conveyances and undisclosed interests whatsoever and Mortgagor will warrant and defend title to the premises against all lawful claims and demands whatsoever. By execution of this Mortgage, Mortgagor hereby acknowledges that due and adequate consideration exists for the execution of this Mortgage.



2013 021228  
2013 MAR 21 10:57  
STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORDING

Z4-919 (05/09)

AMOUNT \$ 21.00  
CASH \_\_\_\_\_ CHARGE \_\_\_\_\_  
CHECK# 008471  
DISCOUNT \_\_\_\_\_  
PAYEE CONF \_\_\_\_\_  
DEBTOR \_\_\_\_\_ PP

F

The Mortgagor covenants and agrees (1) to pay, when due, all taxes, liens, judgments or assessments lawfully encumbering the within described property; (2) to keep such property insured and provide evidence of such insurance to the satisfaction of the Mortgagee and to use any insurance proceeds in accordance with the policies and procedures of the Mortgagee or to apply such proceeds on the appropriate indebtedness hereby secured as the Mortgagee may elect; (3) to maintain the improvements in good repair, to refrain from the commission of waste, to cultivate the property in a good and husbandman like manner and not to cut, remove or permit the cutting or removal of timber there from except for domestic use; (4) that neither Mortgagor nor, to the best of Mortgagor's knowledge, any prior owner has created conditions which may give rise to environmental liability; that no enforcement actions are pending or threatened and that any costs the Mortgagee incurs as a result of environmental liabilities shall become a part of the debts secured hereby, allocated in the sole discretion of Mortgagee; to remedy any contamination that may occur or be discovered in the future, to comply with all state and federal environmental laws, to allow Mortgagee access to the property for testing and monitoring and to forward any notices received from state and federal environmental agencies to Mortgagee; to permit Mortgagee and its agents to enter upon property to make such inspections and tests as Mortgagee may deem appropriate to determine compliance of the property with this covenant (any inspections or tests made by Mortgagee shall be for Mortgagee's purposes only and shall not be construed to create any responsibility or liability on the part of the Mortgagee to Mortgagor or to any other person); that to the best of Mortgagor's knowledge, there are no underground tanks on the property, except as already disclosed, and that any such underground tanks currently or previously located on the property do not now, and never have leaked and there is no contaminated soil located on the property in connection with any of said underground tanks; and to indemnify and hold Mortgagee harmless against any and all claims and losses resulting from a breach of this covenant of the Mortgage; this covenant and indemnity shall survive foreclosure of this Mortgage or acceptance by Mortgagee of a deed in lieu of foreclosure; (5) not to assign, lease, sell, convey or impair any crop allotment and/or any acreage allotment now established or hereafter established on the property; (6) to pay all court costs, expenses of title examination, abstract fees, attorney's costs and fees incurred by the Mortgagee involving this Mortgage, the Lease it secures and the enforcement thereof, to any attorney not a salaried employee of the holder employed to enforce or protect the lien of this Mortgage and any such costs, expenses or fees paid or payable by the Mortgagee shall become a part of the debts secured hereby, allocated in the sole discretion of the Mortgagee; (7) that if the Mortgagor fails to pay when due any tax, lien, judgment, assessment, court cost, attorney's fees or title evidence expense, or to maintain insurance as hereinbefore provided, the Mortgagee may do so, and all amounts so paid shall bear interest from date of payment at the rate set out for defaulted payments in the notes secured hereby; (8) that there are hereby specifically assigned to the Mortgagee all rents, royalties, revenues, damages and payments of every kind at any time accruing under or becoming payable on account of the sale, lease or transfer of any interest in any portion of the property, any oil, gas, mining and mineral leases, rights or privileges of any kind now existing or that may hereafter come into existence covering the property and any condemnation proceedings or other seizure of all or part thereof under the right of eminent domain or otherwise, and all monies received by Mortgagee by reason of this assignment may be applied, at the option of the Mortgagee, upon any unpaid amounts of principal and/or interest provided that nothing herein shall be construed as a waiver of the priority of the lien of this Mortgage over any such lease, rights or privileges granted subsequent to the date of this Mortgage; (9) that the Mortgagee may renew or substitute any evidence of the Lease and extend and defer the maturity of and reschedule any such repayments, release any person from liability to repay any sums secured hereby and any such extensions, deferments, renewals and reschedulings will be secured hereby; (10) that the right is hereby reserved by the Mortgagee to make partial release or releases of the premises hereunder without notice to, or the consent, approval or agreement of other parties in interest, including junior lienors, which partial release or releases shall not impair in any manner the validity of or the priority of this mortgage on the mortgaged premises remaining, nor release the Mortgagor from personal liability for the indebtedness hereby secured; (11) that, if any portion of the debt secured hereby was incurred for the purpose of financing the construction of improvements upon the within

described property, such construction shall not be unreasonably delayed or stopped; (12) that if the Mortgagor shall sell, transfer or lease the property, or if any of the ownership of any portion thereof shall be changed either

by voluntary or involuntary transfer or by operation of law, or if the Mortgagor defaults in the payment or performance of any of the Lease Documents, or with respect to any warranty, covenant, or agreement herein contained, or if a receiver or trustee for any part of the property is appointed, or if any proceeding under the bankruptcy or insolvency laws is commenced by or against the Mortgagor, or if the Mortgagor becomes insolvent, or if, in defending any action commenced to foreclose or enforce a lien on any portion of the property, the Mortgagee elects to cross claim and foreclose the lien of this Mortgage, then, at the Mortgagee's option, all obligations secured hereby shall forthwith become due and payable and bear interest at the rate set out for defaulted payments in the applicable Lease Documents, and the Mortgagee shall have the right to enter upon and take possession of the property and to foreclose the lien of this Mortgage; (13) that in any foreclosure action or other proper proceeding the court shall, at the request of the Mortgagee, appoint a receiver for the property; (14) that if the premises is subject to a guarantee from Farmer's Home Administration, that Mortgagor shall be in default under this mortgage, the Lease and other Lease Documents should any lease proceeds be used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 CFR Part 1940, Subpart G, Exhibit M, prior to loss of the exemption from the highly erodible land conservation restrictions found in 7 CFR Part 12; (15) that if there be any security other than this Mortgage, for the obligations or Lease Documents secured hereby, then upon default the Mortgagee may proceed upon this and other security, either concurrently or separately, in any order it elects; (16) that if the premises are sold by judicial sale and fail to pay the sums secured hereby, Mortgagee may allocate and enforce the remaining deficiency against the Mortgagor in its sole discretion (17) that the omission of the Mortgagee to exercise its option upon any default as aforesaid or to exercise any other option or right hereunder, shall not preclude it from the exercise thereof at any subsequent time or for any subsequent default; (18) that upon payment of all sums secured by this Mortgage, Mortgagee shall release this Mortgage without any charge paid to Mortgagee. Unless prohibited by law, Mortgagor shall pay any actual recordation costs as prescribed by law to public officials for release of this Mortgage; (19) that the covenants, agreements and provisions herein contained shall be binding upon and inure to the benefit of the heirs, devisees, personal representatives, grantees, successors, and assigns of the respective parties; (20) that wherever in this Mortgage either the Mortgagor or the Mortgagee is named or referred to, such naming or reference includes all of the class and assigns, heirs, personal representatives, grantees, or successors of either, as the case may be; and that the pronoun as used herein in the third person singular, includes the person, number and gender appropriate to the first designation of the parties.

In the event that any provision or clause of this Mortgage conflicts with applicable law or is declared unenforceable by a court of competent jurisdiction or otherwise, then any such provision or clause shall be severable and shall not affect the remaining provisions of this Mortgage or the enforceability thereof. Mortgagor hereby waives any and all rights and remedies under any applicable valuation and/or appraisal laws, and, to the extent permitted by applicable law, waives all rights of redemption with respect to the premises. THE CONDITION OF THIS MORTGAGE is such that if all payments provided for in the Lease Documents are made and each and all the covenants, conditions and agreements, either in the Lease Documents or in this Mortgage, are complied with, then this Mortgage shall be null and void, otherwise the same shall remain in full force and effect.

IN WITNESS WHEREOF, the Mortgagor has hereunto set its hands.

[Signature] MANAGER

Michael Kalvaitis, LLC

STATE OF INDIANA )  
 ) SS:  
COUNTY OF Hamilton )

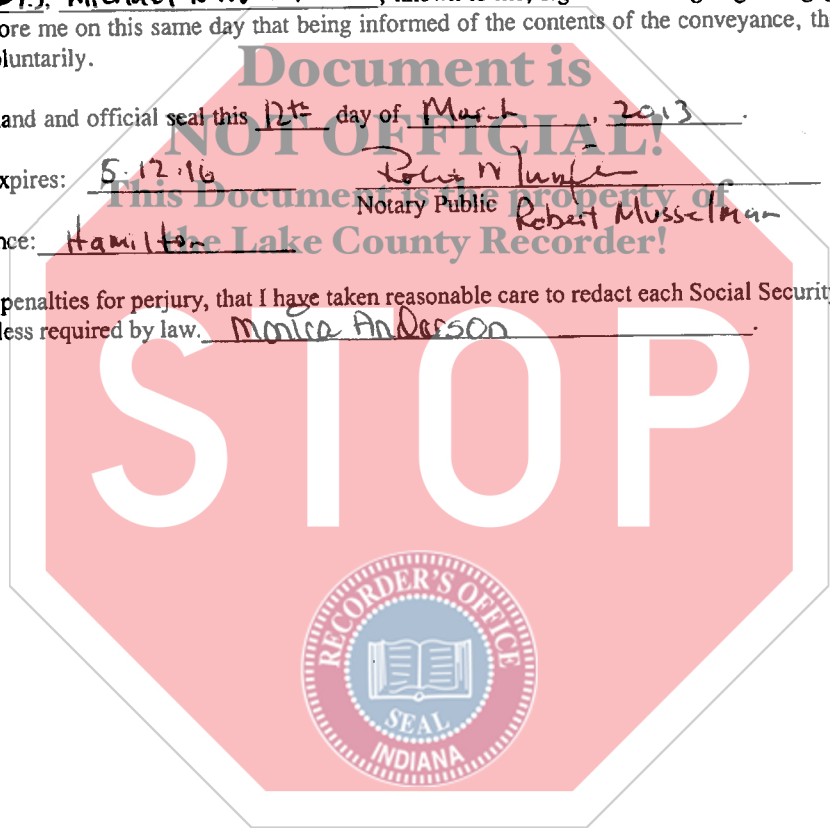
I, the undersigned, a Notary Public, in and for the county and state aforesaid do certify that on this 12<sup>th</sup> day of March, 2013, Michael Kalvaitis, known to me, signed the foregoing mortgage and acknowledged before me on this same day that being informed of the contents of the conveyance, they executed said instrument voluntarily.

Given under my hand and official seal this 12<sup>th</sup> day of March, 2013.

My commission expires: 5-12-16 [Signature]  
Notary Public Robert Musselman

County of Residence: Hamilton

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. Monica Anderson



Parcel 1:

Part of the Southeast Quarter of Section 33, Township 33 North, Range 8 West of the Second Principal Meridian, described as follows:

Beginning at the Northwest corner of the Southeast Quarter of said Section 33; thence South 88 degrees 39 minutes 51 seconds East along the North line of the Southeast Quarter of said Section 33 a distance of 1,541.98 feet; thence South 00 degrees 32 minutes 39 seconds East, 360.26 feet; thence South 69 degrees 25 minutes 12 seconds West, 364.09 feet; thence North 38 degrees 59 minutes 28 seconds West, 91.7 feet; thence North 69 degrees 11 minutes 17 seconds West, 124.77 feet; thence North 01 degree 17 minutes 10 seconds East, 65.54 feet; thence North 81 degrees 42 minutes 22 seconds West, 253.56 feet; thence North 02 degrees 25 minutes 33 seconds East, 172.67 feet; thence North 88 degrees 18 minutes 18 seconds West 726.48 feet to a point 30 feet East of the West line and 40 feet South of the North line of the Southeast Quarter of said Section 33; thence North 88 degrees 39 minutes 51 seconds West, 30 feet; thence North 00 degrees 04 minutes 54 seconds West, 40.00 feet to the point of beginning, in Lake County, Indiana.

