

FOR REL SEE DOC # 141005

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Pbl. 281071K Pd3  
Inv. 63702

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FOR ASSIGNMENT OF RENTS SEE DOC. #76161

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REAL ESTATE MORTGAGE LAKE COUNTY TITLE COMPANY  
DIVISION OF CHICAGO TITLE INSURANCE COMPANY

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THIS INDENTURE WITNESSETH: that HOUSING ASSOCIATES, INC., an Ohio Corporation, ("MORTGAGOR"), MORTGAGES AND WARRANTS to JAY F. ZOOK, INC., an Ohio Corporation, with offices at 3826 Euclid Avenue, Cleveland, Ohio, ("MORTGAGEE"), the following described parcel of real estate ("MORTGAGED PREMISES"), in Lake County, Indiana, to-wit:

THAT part of the West Half of Section 21, Township 36, North, Range 8 West of the 2nd P.M., in the City of Gary, Lake County, Indiana, described as follows: Beginning at a point which is 610 feet North of the South line of the Northwest Quarter of the said Section 21, and which is 1284.4 feet East of the West line of said Section 21, said point of beginning being the intersection of the South line of 32nd Avenue with the West line of Pierce Street, thence West along the South line of 32nd Avenue, a distance of 250 feet, thence South and parallel to the West line of said Section 21, a distance of approximately 610.00 feet to the North line of the Southwest Quarter of Section 21, Township 36 North, Range 8 West of the 2nd P.M., thence Easterly along said Quarter Section line a distance of approximately 250 feet to the West line of Pierce Street, thence North and parallel to the West line of said Section 21 and the West line of Pierce Street, a distance of 610.00 feet, more or less, to the point of beginning,

to secure the performance of the provisions hereof and the payment of the indebtedness of the Mortgagor to the Mortgagee as evidenced by the promissory note of even date herewith executed and delivered by the Mortgagor in the principal sum of THREE MILLION FOUR HUNDRED FORTY-SIX THOUSAND SEVEN HUNDRED TWELVE AND NO/100 DOLLARS (\$3,446,712.00), with interest from the date of this Mortgage on the balance of principal remaining unpaid from time to time at the rate provided for therein prior to maturity or so long as there is no uncured default in the payment of any installment of principal or interest thereunder, and with interest at the rate of FIFTEEN PER CENT (15%) PER ANNUM after maturity and while there exists any uncured default hereunder until paid, all without relief from valuation or appraisal laws and with attorneys' fees, said principal and interest being payable in the manner provided in such promissory note at the principal banking office of the Mortgagee in the City of Cleveland, Ohio, or at such other place as the Mortgagee may designate in writing, and with the final installment being due and payable on January 1, 1972.

UPON failure to pay the principal or interest or any installment of principal and interest when due or upon failure to comply with any of the terms, provisions and conditions of this Mortgage, or upon failure to comply with the terms, provisions

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and conditions of any other agreement entered into by the Mortgagor with the Mortgagee, all of the indebtedness then unpaid shall, at the option of the Mortgagee become immediately due and collectible. No delay on the part of the Mortgagee in exercising such option shall operate as a waiver thereof or preclude the exercise thereof at any time during the continuance of any default or upon a subsequent default.

THE Mortgagor waives presentment for payment, protest, notice of protest and notice of nonpayment of the indebtedness secured by this Mortgage.

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1. **ADDITIONAL COLLATERAL.** The Mortgaged Premises as described herein, shall also include all tenements, hereditaments, rights, privileges, interests, easements and appurtenances belonging or in any wise pertaining to such Mortgaged Premises, and all rents, issues, income and profits thereof (which are pledged primarily and on a parity with such Mortgaged Premises and not secondarily), and all buildings and improvements now or hereafter situated on such Mortgaged Premises and all fixtures, appliances, apparatus, equipment or articles now or hereafter situated on or used in connection with such Mortgaged Premises including, but not in limitation of the preceding, all gas, water and electric fixtures, radiators, heaters, engines and machinery, boilers, ranges, elevators, and motors, plumbing and heating fixtures, water heaters, air conditioning apparatus and units, refrigerating equipment, refrigerators, cooking apparatus, window screens, awnings, storm sash, doors and carpeting (which are or shall be attached to said building, structures or improvements), partitions, machinery, cranes, equipment, personal property of every kind and nature whatsoever now or hereafter owned by Mortgagor and located in, on or about, or used or intended to be used with or in connection with the use, operation or enjoyment of the Mortgaged Premises, including all extensions, additions, improvements, betterments, renewals and replacements of any of the foregoing and all the right, title and interest of the Mortgagor in any such personal property or fixtures. All of the foregoing are declared to be a part of the above described real estate whether physically attached thereto or not, and it is agreed that all similar fixtures, appliances, apparatus, equipment, or articles hereafter placed on such Mortgaged Premises by the Mortgagor, their successors or assigns, including all replacements or substitutions therefore, shall be considered as constituting part of such Mortgaged Premises.

2. **PAYMENT.** The Mortgagor agrees to pay the principal and all installments of the principal of, and interest on the indebtedness secured hereby, as and when the same respectively become due, without relief from valuation and appraisal laws and with attorneys' fees.

3. **PAYMENT OF TAXES.** The Mortgagor will pay all taxes, assessments and other similar charges levied upon the Mortgaged Premises when due and owing and before penalties accrue, and will immediately deliver to the Mortgagee receipts of the proper officers therefore. In default thereof, the Mortgagee may pay such taxes, assessments and other similar charges of which payment,

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amount and validity thereof the receipt of the proper officer shall be conclusive evidence, and all sums so paid shall bear interest at the rate set forth in the promissory note secured hereby, shall be payable on demand and shall be fully secured by this Mortgage.

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4. **TITLE TO MORTGAGED PREMISES.** The Mortgagor covenants that it is lawfully seized of the Mortgaged Premises in fee simple; that it has a good right to convey the same; that the Mortgaged Premises are free from all liens and encumbrances; and that the Mortgagor will warrant and defend the title to the Mortgaged Premises against all claims made thereon.

5. **LIENS AND USE OF MORTGAGED PREMISES.** The Mortgagor will not permit any lien of mechanics and materialmen to attach to the Mortgaged Premises or use the Mortgaged Premises for any purpose which violates any federal or state law, governmental regulation or local ordinance.

6. **CARE OF PROPERTY.** The Mortgagor will take reasonable care of the Mortgaged Premises, and the buildings situated thereon, and will maintain the same in as good repair and condition as at the original date of this Mortgage, ordinary depreciation excepted. The Mortgagor will not commit waste or suffer waste to be committed thereon nor will he alter or permit the alteration of the design or structural character of any building now or hereafter erected upon the Mortgaged Premises without the prior written consent of the Mortgagee. The Mortgagor will promptly comply with all present and future laws, ordinances, rules and regulations of any governmental authority affecting the property described herein.

7. **INSURANCE.** The Mortgagor will procure and maintain in effect at all times adequate insurance with reliable insurance companies acceptable to the Mortgagee against loss or destruction of the Mortgaged Premises on account of fire, windstorm, war damage and such other hazards, casualties and contingencies in such form and in such amounts as the Mortgagee may require from time to time, and all such policies of insurance, shall have attached thereto a loss payable clause in favor of and in form acceptable to the Mortgagee. In the event of loss, the Mortgagor will give immediate notice by mail to the Mortgagee, and the Mortgagee may make proof of loss if not made promptly by the Mortgagor, and each insurance company concerned is hereby authorized and directed to make payment for such loss directly to the Mortgagee instead of to the Mortgagor and Mortgagee jointly, and said insurance proceeds, or any part thereof, may be applied by the Mortgagee at its option to the reduction of the indebtedness secured hereby or to the restoration or repair of the Mortgaged Premises damaged. The Mortgagor will not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Premises or any part thereof without first causing such increased risk to be fully and adequately covered by insurance. All policies of insurance and all abstracts of title or title insurance policies with respect to the Mortgaged Premises shall be delivered to and retained by

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the Mortgagee until the indebtedness secured hereby is fully paid.

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This Document is the property of the Lake County Recorder. In case of failure of the Mortgagor to do so, the Mortgagee may pay any sum of money that it deems necessary to perfect the title of the Mortgaged Premises in the Mortgagor, may make (but shall not be obligated to make) repairs deemed advisable by it to be made to the Mortgaged Premises, may pay any taxes or assessments levied or assessed against the Mortgaged Premises, may procure and/or maintain in effect insurance with respect to the Mortgaged Premises and may do any other thing which the Mortgagor is obligated to do and perform; and all sums so paid shall become a part of the indebtedness secured hereby and shall be repaid to the Mortgagee upon demand and shall bear interest until paid at the rate of FIFTEEN PER CENT (15%) PER ANNUM, without relief from valuation or appraisal laws. No such action taken by the Mortgagee shall relieve the Mortgagor from any default.



9. EVENTS OF DEFAULT. Upon default by the Mortgagor in any payments provided for in this Mortgage, or upon default by the Mortgagor, in the observance of performance of any of the terms, provisions or conditions of this Mortgage, or if the Mortgaged Premises are not maintained in a good state of repair as they were at the date of this Mortgage, reasonable depreciation alone excepted, and within sixty (60) days after notice by the Mortgagee to the Mortgagor to repair the Mortgaged Premises, the Mortgagor shall fail to put the Mortgaged Premises in as good a state of repair as they were at the date of this Mortgage, reasonable depreciation alone excepted (the Mortgagee shall be the sole judge as what constitutes such state of repair or reasonable depreciation), or if the Mortgagor shall abandon the Mortgaged Premises, or upon the institution of any legal proceeding to enforce any mortgage or other lien upon the Mortgaged Premises or improvements thereon, or if a petition in bankruptcy shall be filed by or against the Mortgagor, or if the Mortgagor files a petition or answer seeking reorganization or arrangement with creditors or if the Mortgagor shall in any manner be adjudged insolvent or shall make an assignment for the benefit of creditors, or if said Mortgaged Premises shall be levied upon by virtue of any execution, attachment or other writ or shall come into the possession of or be ordered sold by an official or any court, then and in any such event, the entire indebtedness secured hereby shall, at the option of the Mortgagee become immediately due and payable without notice to the Mortgagor, and the Mortgagee shall have the right immediately to foreclose this Mortgage. In the event proceedings to foreclose this Mortgage are instituted, all sums expended for the continuation of the abstract of title to the Mortgaged Premises, together with interest thereon at the rate of Fifteen Per Cent (15%) Per Annum, shall become a part of the indebtedness secured hereby and collectible as such, and in the event of the foreclosure of this Mortgage, the abstracts of title, the title insurance policies and the policies of hazard insurance for the Mortgaged Premises shall become the absolute property of the Mortgagee.

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IN the event of the passage, after the date of this Mortgage, of any law of the State of Indiana, deducting from the value of land any lien thereon for the purpose of taxation, or changing in any way the laws now in force for the taxation of mortgages or debts secured by mortgage for State or local purposes, or the manner of the collection of any such taxes, so as to affect this mortgage or the indebtedness hereby secured, the whole of the principal sum secured by this Mortgage, together with the interest due thereon, shall at the option of the Mortgagee, without notice to any party, become immediately due and payable.

10. APPOINTMENT OF RECEIVER. The Mortgagee shall have the right in any action to foreclose this Mortgage to the appointment of a receiver to collect the rents, issues, income and profits of the Mortgaged Premises without notice and without regard to the adequacy of the Mortgaged Premises to secure the indebtedness. In lieu of such receivership, the Mortgagee may, at its option, itself take possession of the Mortgaged Premises during the period of redemption, account for the net rents, issues and profits from the same.

11. CONDEMNATION PROCEEDINGS. If the Mortgaged Premises, or any part thereof, be taken or damaged by condemnation proceedings under right of eminent domain or in any other manner, the Mortgagee shall be entitled to receive all compensation, damages, awards, or other relief and the Mortgagor hereby assigns to the Mortgagee, all such proceeds to be applied on the indebtedness secured hereby after deducting therefrom all expenses incurred, including attorneys' fees, and the Mortgagee shall be authorized, at its option, to commence, appear in and/or prosecute in its own name any action or proceeding or to make any compromise or settlement in connection with such taking or damage.

12. SUBROGATION. In the event the Mortgagee pays any prior lien from the proceeds of this Mortgage, the Mortgagee shall be subrogated to the rights of the holder of such lien as fully as if such lien had been assigned to the Mortgagee.

13. EXPENSES OF MORTGAGEE. That Mortgagor will indemnify and save harmless from, and repay on demand the Mortgagee for, any loss, damage, expense, or attorneys' fees which may be incurred by the Mortgagee by reason of any suit or proceeding to which the Mortgagee is made a party on account of this Mortgage, and any loss, damage, expense, or attorneys' fees so incurred by the Mortgagee is made a part of the indebtedness secured by this Mortgage.

14. RIGHTS OF MORTGAGEE. No failure by the Mortgagee in the exercise of any of its rights under this Mortgage shall preclude the Mortgagee from the exercise thereof in the event of a subsequent default by the Mortgagor hereunder, and no delay by the Mortgagee in the exercise of any of its rights under this Mortgage shall preclude the Mortgagee from the exercise thereof so long as the Mortgagor is in default hereunder. The Mortgagee may enforce any one or more of its rights or remedies hereunder successively or concurrently.

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15. MODIFICATION OF INDEBTEDNESS. The Mortgagee, at its option, may extend the time for the payment of the indebtedness set forth herein, or reduce the payments thereon, or renew such indebtedness, without the consent of any junior lienholder, and without the consent of the Mortgagor if the Mortgagor has then parted with the title to the mortgaged premises, and any such extension, reduction or renewal shall not affect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of the Mortgagor to the Mortgagee.

16. (a) The Mortgagor has executed and delivered a construction loan agreement dated of even date hereof with Mortgagee (which said Agreement as the same hereafter from time to time may be amended, supplemented or modified, is incorporated hereby by reference and is herein referred to as the "Loan Agreement"), the terms, provisions, and conditions of which Mortgagor does hereby agree to fulfill and perform and the fulfillment and performance of which by Mortgagor is hereby secured by this Mortgage.

(b) All advances and indebtedness arising and accruing from time to time under the Loan Agreement shall be secured hereby to the same extent as though the Loan Agreement were fully incorporated in this Mortgage and the occurrence of any event of default under the Loan Agreement, as said term is therein defined, shall constitute a default under this mortgage entitling the Mortgagee to all of the rights and remedies conferred upon the Mortgagee by the terms of this Mortgage or by law, as in the case of any other default. In such event any provision for the giving of notice of default contained in the Loan Agreement shall prevail over any requirements for the giving of notice contained herein.

17. RIGHTS OF SUCCESSORS. All rights and obligations hereunder shall extend to and be binding upon the several heirs, representatives, successors and assigns of the parties to the Mortgage. The titles of the several paragraphs of this Mortgage are for convenience only and do not define, limit or construe the contents of such paragraphs.

18. APPLICABLE LAW. This Mortgage shall be construed in accordance with the laws of the State of Indiana.

19. INTERPRETATION. In the event this Mortgage is executed by more than one person, firm or corporation, the term "Mortgagor", as used herein shall be construed to mean "Mortgagors", and this Mortgage shall be amended and interpreted accordingly to effect such construction and the liability of the "Mortgagors" hereunder shall be joint and several.

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IN WITNESS WHEREOF, the Mortgagor has executed this instrument, this 28th day of September, 1970.

WITNESSES: Donald H. Tishman  
HOUSING ASSOCIATES, INC.  
DONALD H. TISHMAN, President

BY: W. Scott Haynes  
W. SCOTT HAYNES, Secretary

STATE OF OHIO  
COUNTY OF CUYAHOGA

SS:

BEFORE ME, a NOTARY PUBLIC, in and for said County, personally appeared the above named DONALD H. TISHMAN and W. SCOTT HAYNES, known to me to be respectively the President and Secretary of HOUSING ASSOCIATES, INC., a Corporation, who acknowledged that they and by them as its officers, the President and Secretary, did sign and seal the foregoing instrument and that the same is their free act and deed as such officers, and the free act and deed of said company authorized by its Board of Directors.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal at Cleveland, Ohio, this 28th day of September, 1970.

Edward Mamrack  
NOTARY PUBLIC  
EDWARD MAMRACK, ATTORNEY  
Notary Public, State of Ohio  
My commission has no exp. date.  
Sec. 147.03, Rev. Code

THIS INSTRUMENT PREPARED BY:  
Edward Mamrack, Attorney