

792475

CONDITIONAL ASSIGNMENT OF RENTALS

THIS INDENTURE made this 15th day of February, 1985 by and between GAINER BANK, National Association, hereinafter known and designated as "BANK", and Silas Taylor and Mirtha Taylor, Husband and wife

hereinafter known and designated as "UNDERSIGNED", WITNESSETH:

WHEREAS the Undersigned did on February 15, 1985 execute a certain principal promissory note, calling for the payment of the principal sum of THIRTY EIGHT THOUSAND AND NO/100 DOLLARS (\$ 38,000.00) together with interest, payable to the order of Bank, and did secure the payment thereof by a mortgage to the Bank on the following described real estate, to wit:

Lots 1 and 2 in Block 78 in Gary Land Company's First Sub-division, in the City of Gary, as per plat thereof, recorded in Plat Book 6 page 15, in the Office of the Recorder of Lake County, Indiana.

STATE OF INDIANA/S.S. NO. 1
LAKE COUNTY
PROPERTY RECORD
FEB 20 8 49 AM '85
RUDOLPH CLAY
RECORDER

See My rec Rec # 792475

NOW, THEREFORE, for valuable consideration and as part of the consideration for said loan and as additional security for the repayment of said loan, the Undersigned does hereby sell, assign, transfer and set over unto said Bank, its successors and assigns, all of the rents, issues and profits due or to become due of and from said real estate hereinabove described; to operate, maintain, manage and when necessary to lease said premises hereinabove described or any part thereof, and to take possession thereof in its own name or in the name of an agent, and to collect all rents, issues and profits therefrom and of and from the improvements thereon and apply said sums of money so collected as hereinafter provided; and the tenants in, upon and about said real estate and all others having an interest in and to said premises and hereby authorized to pay unto said Bank, or its order, all sums due or to become due under such tenancy, and said Bank is hereby authorized to give for and in behalf of said Undersigned full receipt for any payments so made.

Said Bank is further authorized, but shall not be obligated to pay taxes, assessments and charges on the premises; insure, repair and/or improve the buildings located thereon; and expend such sums of money as may be necessary to defend the title or property or the use thereof, or recover rents and profits, or protect rental rights, and/or make such other expenditures for said property as it may in its sole discretion deem necessary, proper or expedient. Said Bank may, but shall not be obligated, to advance funds for any of the above purposes, and any amount so advanced shall be a first and prior claim on the rents and profits realized from said property and shall be repaid to said Bank before any distribution as hereinafter set out. Should the rents and profits be insufficient to pay advances so made by said Bank, any unpaid balance shall become part of the debt secured by the said mortgage and shall bear interest at the rate of Twenty-one per cent (21%) per annum from the date of advancement; and in the event such advancements are made after the mortgage debt has been reduced to judgment, the Undersigned will, subject to the other terms, covenants and conditions herein contained, pay such advancements with interest to said Bank in addition to any amount necessary to pay and satisfy the judgment, interest and costs, or to redeem the property from foreclosure sale, and said Bank shall be entitled to retain possession of the property until such advancements and interest are fully paid.

It is further agreed that said Bank shall be required to account for only such rentals and payments as are actually collected by it. Nothing herein contained shall be deemed to create any liability on the part of said Bank for failure to rent the premises or any part thereof, or for failure to make collection of rentals, or for failure to do any of the things which are authorized herein. This instrument is a grant of rights and privileges to said Bank only and shall not be held to create any duties or liabilities except as herein expressly set out. For the purpose of accounting, the correctness of the books and records of said Bank shall be deemed conclusive.

It is further understood and agreed that said Bank shall, in the exercise of its control and management of the premises hereinabove described, be deemed the agent of the Undersigned and shall not be liable for any damage to any person or property where such damage arises out of the operation of or in connection with the said premises.

It is further understood and agreed that the acceptance by said Bank of any payments under any lease or contract with reference to the said premises from any tenant or other person shall not bar or abridge any of the right of said Bank under its mortgage.

This contract shall remain in full force and effect so long as the above described mortgage remains an enforceable lien; and in the event of foreclosure, then during the period of redemption after sheriff's sale and until recording of the sheriff's deed issued under such foreclosure proceedings. This agreement shall not affect the right of the Undersigned to redeem from foreclosure of said mortgage, but such redemption shall not terminate this agreement unless and until said mortgage debt or any judgment rendered thereon plus interest, costs and expenses and any advancements made by said Bank, with interest as above mentioned, have been fully paid to it. In the event of the termination of this agreement, the Undersigned will approve and accept any and all outstanding leases made by said Bank and/or its agent, but only to the extent of a period of one (1) year from date of the termination of this agreement.

The provisions of this agreement are a covenant running with the land herein described and shall bind all persons hereafter acquiring any interest in the said premises, and it is expressly agreed that the within assignment and grant of rights and powers is coupled with an interest.

Any amount received or collected by said Bank by virtue of this agreement shall be applied as follows, but not necessarily in the order stated, the priority of payment of such items to be within the sole discretion of said Bank.

1. To the repayment of said Bank of any and all amounts advanced by it under the terms of this agreement together with interest at Twenty-one per cent (21.0%) per annum on the advancements from the date of same;
2. To the payment of taxes, assessments and charges and the expense of insurance; but said Bank shall not be obligated to keep insurance on said premises or to make repairs to and/or improvements on said property;
3. To the payment of all other necessary expenses to the management, protection and/or preservation of the property;
4. To the payment of all amounts due or to become due under said mortgage and/or to the payment of any judgment rendered thereon together with costs and expenses;
5. The surplus, if any, after full payment of the above shall be paid to the then owner of the said premises at the time such payment is made.

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