

LT 447380



FIRST CITIZENS BANK
515 Franklin Square
Michigan City, Indiana 46360
1-800-873-7001
LENDER Member FDIC

GRANTOR
ARTHUR J. TONNER
FLORENCE J. TONNER
GERALD W. TONNER
MARY E. TONNER
700 W. Broadway
Chesterton, IN 46304
Telephone Number
219-926-2268

**ASSIGNMENT
LESSOR'S INTERESTS
IN LEASE**

LAWYERS TITLE
ONE PROFFER
SURRENDER
HOBART POINT, IN 46307

92007843

BORROWER	ADDRESS OF LEASED PREMISES
ARTHUR J. TONNER FLORENCE J. TONNER GERALD W. TONNER MARY E. TONNER 700 W. Broadway Chesterton, IN 46304	2080 Rand Street Hobart, IN 46342

OFFICER INITIALS	INTEREST RATE	PRINCIPAL AMOUNT/ CREDIT LIMIT	FUNDING/ AGREEMENT DATE	MATURITY DATE	CUSTOMER NUMBER	LOAN NUMBER
MJK	VARIABLE	\$435,000.00	01/31/92	01/15/07	9004006	920050

1. ASSIGNMENT. As security for the repayment of the promissory note described above and all other present and future obligations of Grantor or Borrower to Lender (whether for the same or different purposes than the promissory note), (together the "Obligations"), Grantor hereby assigns to Lender all of Grantor's title and interest as lessor in and to the lease(s) ("Lease") of the premises identified above under Address Of Real Property.

A copy of the Lease and the legal description of the premises are attached hereto as Exhibit A and incorporated herein by reference.

2. EXTENT OF ASSIGNMENT. This Assignment shall extend to all rights of Grantor under the Lease including, but not limited to, all rights to rents and other sums required to be paid under the Lease and the right to utilize in the name of Grantor in all covenants and terms of the Lease relating to the collection and enforcement of rental payments or other sums which may become due under the Lease. Nothing contained in this Assignment, nor any action taken by Lender pursuant to this Assignment, shall be construed to make Lender a "mortgagee-in-possession" of the premises described in the Lease.

3. REPRESENTATIONS AND WARRANTIES OF GRANTOR. All warranties shall be deemed to be reaffirmed on and as of the time of each disbursement of loan proceeds to Grantor. Grantor warrants and represents as follows:

- (a) The Lease is in full force and effect.
- (b) No default exists on the part of any tenant or Grantor under the Lease.
- (c) No rent has been collected in advance.
- (d) Neither the Lease nor any interest therein has been previously assigned or pledged.
- (e) The tenants under the Lease have no defense, setoff or counterclaims against Grantor.
- (f) All rent due to date under the Lease has been collected and no concession has been granted to the tenants in the form of a waiver, release, reduction, discount or other alteration of rent due or to become due.

4. COVENANTS OF GRANTOR. Grantor covenants and agrees with Lender as follows:

- (a) The Lease will remain in full force and effect despite any merger of the interest of Grantor and any tenants thereunder. Grantor shall not transfer or convey fee title to the leased premises to any tenant without the prior written consent of Lender. Where such consent is given or where under applicable law the requirement for such consent is not enforceable, Grantor shall require the tenants, in writing, to assume and agree to pay Grantor's indebtedness in accordance with the terms, covenants and conditions of the promissory note. In no event shall any such transfer or conveyance operate or release or relieve Grantor of any liability to Lender unless Lender specifically agrees otherwise in writing.
- (b) Grantor will not terminate the Lease (except pursuant to the terms of the Lease upon a default by the tenants), or modify or amend the Lease or any of the terms thereof, or grant any concessions in connection therewith or accept a surrender thereof, without the prior written consent of Lender.
- (c) Grantor will not collect any rents and profits in advance of the date on which they become due under the terms of the Lease.
- (d) Grantor will not discount any future accruing rents and profits.
- (e) Grantor will not consent to an assignment of the Lease, or subletting thereunder, whether or not in accordance with its terms, without the prior written consent of Lender.
- (f) Grantor will not execute any further assignment of any of the rents and profits or any interest therein or suffer or permit any such assignment to occur by operation of law.
- (g) Grantor will not request, consent to, agree to or accept a subordination of the Lease to any mortgage, deed of trust or other encumbrance, or any other Lease, now or hereafter affecting the property or any part thereof, or permit conversion of any Lease to a sublease.
- (h) Grantor will perform and discharge all obligations of the landlord under the Lease, and will give prompt written notice to Lender of any notice of default received from any tenant or any other person. Grantor shall appear in and defend, at no cost to Lender, any action or proceeding arising under or in any manner connected with the Lease. If requested by Lender, Grantor shall enforce the Lease and all remedies available to Grantor against the tenants in the case of default under the Lease by the tenants.
- (i) Grantor shall manage the leased premises through its own personnel, and shall not hire, retain or contract with any third party for property management services without the prior written approval by Lender of such party and the terms of its contract for management services.
- (j) Grantor shall deliver to Lender, promptly upon request, a duly executed estoppel certificate from the tenants as required by Lender attesting that the Lease is in full force and effect with no defaults thereunder on the part of any party, that no rental has been paid more than one month in advance, and that the tenants claim no defense or offset against the full and timely performance of Grantor under the Lease.

5. SECURITY DEPOSITS. If the Lease provides for a security deposit paid by the tenant to Grantor, this Assignment transfers to the Lender all of Grantor's right, title and interest in and to the security deposit. Grantor shall have the right to retain the security deposit so long as Grantor is not in default under this Assignment or the promissory note. Lender shall have no obligation to any tenant with respect to such security deposit unless and until Lender comes into actual possession and control of said deposit.

6. RENTAL INSURANCE. If the Lease provides for the abatement of rent during repair of the leased premises by reason of fire or other casualty, Grantor shall obtain rental insurance and assign such policy or policies to Lender. The policies shall be in the amount and form and written by such companies as shall be satisfactory to Lender.

7. LENDER NOT TO BE OBLIGATED. Nothing in this Assignment shall be construed to impose any liability or obligation upon Lender under or with respect to the Lease. Grantor agrees to indemnify and hold Lender harmless from and against any and all liabilities, losses and damages which Lender may incur under the Lease or by reason of this Assignment, and of and from any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations to be performed or discharged by Lender under the Lease or this Assignment. Should Lender incur any liability, loss or damage under the Lease or under or by reason of this Assignment, Grantor shall immediately upon demand reimburse Lender for the amount thereof together with all costs and expenses and reasonable attorney's fees incurred by Lender. All of the foregoing sums shall bear interest until paid at the rate set forth in the Obligation. Any rents and profits collected by Lender may be applied by Lender in its discretion in satisfaction of any such liability, loss, damage, claim, demand, costs, expense or fees.

GRANTOR ACKNOWLEDGES THAT GRANTOR HAS READ, UNDERSTANDS, AND AGREES TO THE TERMS AND CONDITIONS OF THIS AGREEMENT INCLUDING THE PROVISIONS ON THE REVERSE. GRANTOR ACKNOWLEDGES RECEIPT OF AN EXACT COPY OF THIS AGREEMENT.

Dated: **JANUARY 31, 1992**

GRANTOR: **ARTHUR J. TONNER**
BY: Arthur J. Tonner
ARTHUR J. TONNER

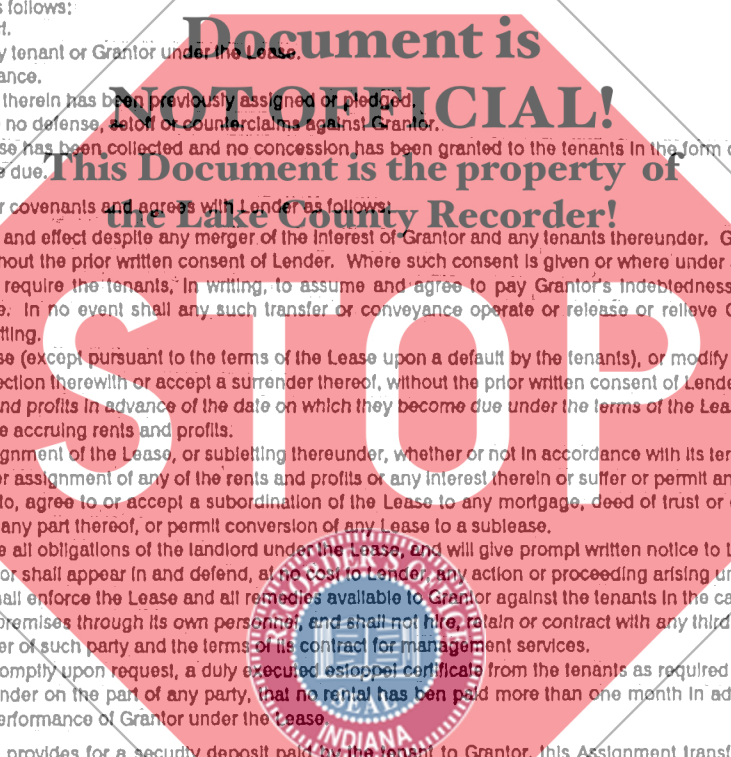
GRANTOR: **FLORENCE J. TONNER**
BY: Florence J. Tonner
FLORENCE J. TONNER

GRANTOR: **GERALD W. TONNER**
BY: Gerald W. Tonner
GERALD W. TONNER

GRANTOR: **MARY E. TONNER**
BY: Mary E. Tonner
MARY E. TONNER

Prepared by and return to: **Eric Gerhold**
Credit Administration, P.O. Box 800, Michigan City, IN 46360
LP-IN524 © FormAllion Technologies, Inc. (8/7/91) (800) 837-3799

Mod + cert of note #92007843



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1500

8. **DEFAULT.** In the event of any default under the terms of the promissory note, this Assignment or any other obligation of Grantor or Borrower to Lender whether contained herein or in any other document, Lender shall have the right to exercise its status as an assignee under this Assignment and take the following action without presentment, notice or demand of any kind:

- (a) enter upon, take possession of, manage and operate the premises or any part thereof; (b) demand, collect and receive from the lessees the rents, income or profits under the Lease as they become due as well as all past due rents, income and profits which have been uncollected by Grantor; (c) endorse the name of Grantor or any subsequent owner of the premises on any checks, notes, or other instruments for the payment of money, deposit the same in bank accounts, and give any and all acquittances or any other instrument in relation thereto in the name of Grantor; (d) institute, prosecute, settle, or compromise any summary or legal proceedings in the name of the Grantor or in the name of Lender for the recovery of such rents, income or profits, for the recovery of any damages done to the premises, for the abatement of any nuisance thereon, for the eviction of any lessee or for the enforcement of any Lease, and defend any legal proceedings brought against the Grantor arising out of the operation of the premises; (e) pay all charges, expenses and fees deemed by it in its sole and absolute discretion necessary or expedient for the leasing, maintaining and operation of the premises; (f) exercise all the rights and privileges of Grantor as owner of the premises including the right to let or relet the premises, or any part thereof, and to collect the rents, income and profits under such new Lease in accordance with the foregoing; (g) perform any of Grantor's obligations to the lessees under the Lease, exercise any of Grantor's rights, power or privileges under the Lease, and modify the Lease; (h) apply the rentals received to expenses incurred by Lender hereunder or to reduce the indebtedness under the note and mortgage, in such amounts and in such order as Lender in its sole discretion shall determine; (i) at its election, assume any of the obligations of Grantor or its assigns to the lessees under the Lease; (j) exercise any of Lender's rights or remedies under any other agreement or as provided by law.

9. **OBLIGATIONS OF LENDER AND INDEMNITY.**

(a) Grantor hereby appoints Lender as its agent to exercise, at Lender's option, any of the rights set forth in paragraph 8. All obligations created by the exercise of such agency shall be those of Grantor and not those of Lender except as otherwise provided herein. Grantor hereby ratifies and confirms all that Lender shall lawfully do or cause to be done by virtue hereof; (b) Lender shall only be accountable for money actually received pursuant to this Assignment. The manner of the application of such rentals, the reasonableness of the costs and charges to which such rentals are applied and the item or items which shall be credited thereby shall be within the sole and uncontrolled discretion of Lender. Lender shall in no way be responsible in excess of rents actually received by Lender for any debt incurred in respect of the premises. After Grantor shall have been barred and foreclosed of all right, title and interest and equity of redemption in said premises, Lender shall not be liable to account to Grantor for the rents, income and profits thereafter accruing; (c) Lender shall in no way be responsible or liable for any failure to account for any rents collected by any agent, manager, receiver or collector of the premises whom it may designate or appoint to collect the rents or manage the premises, nor shall Lender be in any way liable to Grantor for the failure or refusal on its part to make repairs to the premises; (d) No security deposited by the lessees with the Grantor under the terms of Lease has been transferred to Lender, and Lender assumes no liability for any security so deposited; (e) Except as otherwise provided herein, this Assignment shall not operate to place responsibility for the control, care, management or repair of the premises upon Lender, nor for the carrying out of any of the terms and conditions of the Lease unless such responsibility is specifically assumed by Lender in writing; nor shall it operate to make Lender responsible or liable for any waste committed on the premises by the lessees or any other party, or for any dangerous or defective condition of the premises, or for any negligence in the management, upkeep, repair or control of said premises resulting in loss or injury or death to any tenant, licensee, employee or stranger; (f) Grantor hereby indemnifies and holds Lender harmless of and from any and all liability, loss or damage which Lender may incur under the Lease or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligation or undertaking to be performed or discharged by Lender under the Lease or this Assignment. Should the Lender incur any such liability, loss or damage under the Lease or under or by reason of this Assignment, or in the defense of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorney's fees, shall be secured hereby, and Grantor shall reimburse Lender therefor immediately upon demand, and upon the failure of Grantor to do so Lender may declare all sums secured hereby immediately due and payable; (g) Nothing herein contained shall be construed to bind Lender to the performance of any of the terms and provisions contained in the Lease or otherwise to impose any obligation on Lender to do any act which it may be authorized hereunder to do.

10. **NOTICE TO LESSEE.** Grantor irrevocably consents that the lessee under the Lease, upon demand and notice from Lender of the occurrence of a default under the note, or under any other obligation of Grantor to Lender, may and shall pay said rents, income and profits under the Lease to Lender without liability of lessee for the determination of the actual existence of any default claimed by Lender. Grantor hereby irrevocably authorizes and directs lessee, upon receipt of any notice of Lender stating that such a default exists, to pay to Lender the rents, income and profits due and to become due under the Lease. Grantor agrees that lessee shall have the right to rely upon any such notices of Lender and that lessee shall pay such rents, income and profits to Lender without any obligation or right to inquire whether such default actually exists, and notwithstanding any claim of Grantor to the contrary Grantor shall have no claim against lessee for any rents paid by lessee to Lender. Upon the curing of all such defaults, Lender shall give written notice thereof to lessee and thereafter, until further notice from Lender, lessee shall pay such rents, income and profits to Grantor.

11. **TERMINATION.** This Agreement shall remain in full force and effect until Lender provides Grantor with written notice of the termination hereof.

12. **ASSIGNMENT.** Grantor shall not be entitled to assign any of its rights, remedies or obligations described in this Agreement without the prior written consent of Lender which may be withheld by Lender in its sole discretion. Lender shall be entitled to assign some or all of its rights and remedies described in this Agreement without notice to or the prior consent of Grantor in any manner.

13. **MODIFICATION AND WAIVER.** The modification or waiver of any of Grantor's obligations or Lender's rights under this Agreement must be contained in a writing signed by Lender. Lender may perform any of Grantor's obligations or delay or fail to exercise any of its rights without causing a waiver of those obligations or rights. A waiver on one occasion shall not constitute a waiver on any other occasion. Grantor's obligations under this Agreement shall not be affected if Lender amends, compromises, exchanges, fails to exercise, impairs or releases any of the obligations belonging to any Grantor or third party or any of its rights against any Grantor, third party or collateral.

14. **SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon and inure to the benefit of Grantor and Lender and their respective successors, assigns, trustees, receivers, administrators, personal representatives, legatees, and devisees.

15. **NOTICES.** Any notice or other communication to be provided under this Agreement shall be in writing and sent to the parties at the addresses indicated in this Agreement or such other address as the parties may designate in writing by notice hereunder from time to time.

16. **SEVERABILITY.** If any provision of this Agreement violates the law or is unenforceable, the rest of the Agreement shall remain valid.

17. **APPLICABLE LAW.** This Agreement shall be governed by the laws of the state of the location of the premises. Grantor consents to the jurisdiction and venue of any court located in the state of the location of the premises in the event of any legal proceeding under this Agreement.

18. **COLLECTION COSTS.** If Lender hires an attorney to assist in collecting any amount due or enforcing any right or remedy under this Agreement, Grantor agrees to pay Lender's attorney's fees and collection costs (subject to any restrictions imposed by law).

19. **MISCELLANEOUS.** This Agreement is executed for commercial purposes. All references to Grantor in this Agreement shall include all persons signing on the reverse except Lender. If there is more than one Grantor, their obligations shall be joint and several. Grantor waives any right to a jury trial Grantor may have under applicable law. This Agreement and any related documents represent the complete and integrated understanding between Grantor and Lender pertaining to the terms and conditions of those documents.

20. **ADDITIONAL TERMS:**

This Note is secured by Mortgages to Lender, dated 9/22/89 for \$135,000 and dated 5/5/88 for \$327,217.27. These mortgages were recorded in the Lake Co., Indiana recorders office Instrument # 064838 and 977733, respectively

STATE OF _____) ss.
COUNTY OF _____

Before me, a Notary Public in and for said County and State, personally appeared _____, who acknowledged execution of the foregoing _____ and stated that the representations therein contained are true.
Witness my hand and Notarial Seal this _____ day of _____.

(NOTARIAL SEAL)

NOTARY PUBLIC

My County of Residence: _____

My Notarial Commission Expires: _____

(printed signature)

STATE OF FLORIDA) ss.
COUNTY OF SARASOTA

Before me, a Notary public in and for said County and State, personally appeared GAROLD W. TONNER + MARY E. TONNER, the _____ of _____, a(n) _____, who acknowledged execution of the foregoing _____ for and on behalf of said _____ and stated that the representations therein contained are true.
Witness my hand and Notarial Seal this _____ day of _____.

LICIA M. STERBINSKY
Notary Public Residing in _____ County

My Commission Expires: _____
NOTARY PUBLIC, STATE OF FLORIDA;
MY COMMISSION EXPIRES: NOV. 2, 1999
BONDED THROUGH NOTARY PUBLIC UNDERWRITERS
LP-IN524 © FormAllion Technologies, Inc. (8/7/91) (800) 937-3799

LICIA M. STERBINSKY
(printed signature)

THIS LEASE, made this _____ day of _____, 19____, between _____ party of the first part, hereinafter called Lessor, and _____ party of the second part, hereinafter called Lessee.

WITNESSETH: Lessor does hereby lease and rent unto Lessee, and Lessee does hereby take as tenant under Lessor, Apartment No. _____ on the _____ floor, of the building known as _____ situated at _____ in the City of _____, County of _____, State of Indiana, to be used by Lessee and his family as a lawful private dwelling during the term of _____ months, to-wit: From 12:00 noon on the _____ day of _____, 19____, to 12:00 noon on the _____ day of _____, 19____, inclusive.

IN CONSIDERATION WHEREOF, and of the covenants hereinafter expressed, it is covenanted and agreed as follows:

1. RENTS. Lessee agrees to pay to Lessor or Lessor's agent, in advance at the Office of Lessor or said agent, in _____ on the first day of each month of said term, as rent for said premises, the sum of _____ Dollars (\$_____), per month. During the term of this lease, the Lessor may upon ten (10) days written notice to the Lessee increase the monthly rental by an amount sufficient to cover the unit's proportionate share (cost per building divided by the number of units) of any increases in property taxes, utility expenses or municipal services of any kind billed after the date of this lease. The time of payment of each monthly installment is made the essence of this agreement and each and every installment of rent accruing under the provisions of this lease and all other sums of money payable hereunder by Lessee shall bear interest at the maximum legal rate per annum from the date when the same shall respectively become payable under the terms of this lease until the same shall be paid.

2. DEPOSIT AS SECURITY. The Lessee, concurrently with the execution of this lease, has deposited with the Lessor or Lessor's agent, the sum of _____ Dollars

10. RECEIPT: The receipt whereof hereby is acknowledged, which sum shall be retained by the Lessor as security for faithful performance of the covenants, terms, rules and regulations of this lease. If the Lessee shall be in default in any other provision of this lease or shall default in the premises prior to the date of the expiration of this lease, the said deposit or security shall be considered to be forfeited and shall be applied to the expenses resulting from the default or violation of the premises by the Lessee. It is hereby understood and agreed the security deposit is not an advance payment of or on the account of the last month's rent or any installment thereof. Said sum shall not be returned to the Lessee until the provisions of this lease are satisfactorily performed, thereafter to be returned to the Lessee at the termination of this lease, subject, however, to the terms and conditions described in the conditions regarding the forfeiture of an apartment.

11. POSSESSION: Lessor shall not be liable for the failure to deliver possession of the leased premises, what then in the event of substantial delay from the date of the commencement of this lease to the day possession is delivered to Lessee on the usual basis as herein set forth.

12. DAMAGE TO PREMISES: Lessee is and shall be responsible and liable for any injury or damage done to the leased premises or the building in which the same are located by Lessee, his employees, or any occupant of or other persons whom Lessee permits to be in or about the leased premises.

13. SUBLEASE: Lessee shall not have the right or power to sublet the premises or any part thereof, or to lease, transfer or assign this lease without the written consent of Lessor; nor shall he offer any portion of the premises for a sub-lease by placing on the same any "no rent", "forbade room", "no one to rent", or similar sign or notice or by advertising the same in any newspaper or piece of matter whatsoever without the consent in writing of Lessor.

14. EMBEZZLEMENT: Should Lessee at any time during the continuance of this lease remove or attempt to remove the effects from the leased premises, or if an execution or other process be levied upon the interest of Lessee in this lease, or if a petition in bankruptcy be filed by or against Lessee, or any Court of competent jurisdiction, Lessor shall have the right, in his option, to re-enter and take possession of the leased premises, and to sell and terminate this lease, or at his option, the whole rent for the entire term of this lease shall be become due and payable and he may proceed by attachment suit or other process to collect the rent for the entire term in the same manner as if by the conditions of this lease the whole rent for the entire term were due and payable in advance.

15. PROHIBITED BUSINESS: Lessee shall not conduct any business, nor permit any unlawful and immoral practice to be conducted on the premises, nor shall he permit them to be used as a boarding or lodging house, for amusement or other purpose, nor for instruction in music, nor for any purpose which will increase the insurance rate, nor shall he permit to be kept on the premises inflammable fluids or explosives without the consent of Lessor; nor permit them to be used for any purpose which will injure the reputation of the building or which will disturb the tenants of the building or the inhabitants of the neighborhood.

16. CONDITION OF PREMISES: Lessee has examined the premises, is satisfied with the physical condition, and is taking possession in conclusive evidence of receipt of them in good order and repair, except as otherwise specified; and he agrees that no representation as to condition of repair has been made and he is contented to be bound by the terms of this lease and he agrees that no repairs, alterations, or improvements have been made except such as to maintain the same.

17. ASSIGNMENT: If the leased premises shall be abandoned or become vacant during the term of this lease, without Lessee having paid in full the rent for the entire term, then in such case Lessor shall have the right, at his option, to take possession of the leased premises and let the same, or agent of Lessee and apply the proceeds received from such letting toward the payment of the rent of Lessee under this lease, and such re-entry and collecting shall not discharge Lessee from liability for rent, nor from any other obligations of Lessee under the terms hereof, or at the option of Lessor, the rent for the entire term shall be become due and payable, and Lessor may proceed to collect the rent for the entire term as if by the terms of this lease the entire rent for the entire term should be payable in advance, or Lessor may, at his option, re-enter the leased premises and sell and terminate this lease.

18. RULES: Lessee shall comply with all the reasonable rules and regulations now or at any time hereafter during the existence of this lease adopted by Lessor, and posted in or about the said building, or general use buildings, or otherwise brought to the notice of Lessee both in regard to the building as a whole and as to the premises herein leased and general use areas and buildings.

19. GLASS BREAKAGE: Lessee shall pay the expense of replacing all glass broken and shall replace all keys lost or broken, and maintain the premises in such condition, order and repair as the same are in at the commencement of the term or may be put in during the term, reasonable wear and tear and damage by fire or other casualty excepted, and he shall permit no waste of the leased premises nor allow the same to be done, but he shall take good care of the same; Lessee shall not attach any article of personal character or sign containing writing or printing in any window, door, ceiling, door or wall without the written consent of Lessor; and he shall, on the termination of this lease, surrender to Lessor the quiet and peaceable possession of the premises in like good order as at the commencement of the term, natural wear and tear excepted.

20. NEIGHBORHOOD: Lessee shall not suffer or permit radios, telephones, record players, stoves and all other electrical instruments on the leased premises to disturb the neighborhood or occupants of the building containing said leased premises at any time.

21. FURNISHING: Lessee warrants that the information given by Lessee in the application for the lease is true and in the event that such information is false, Lessor may at his option terminate this lease.

22. TIME OF NOTICE: In the event the leased premises are totally destroyed by fire, wind, or other cause beyond the control of Lessee, or are substantially and ordered sold, then by the properly constituted authorities of the State of Indiana, then in either of these events the lease shall cease and terminate as of the date of such destruction.

If the leased premises are injured by fire, rain, wind, or other cause, beyond the control of Lessee, so as to render the same partially uninhabitable or partially unfit for the use or purpose for which the same are hereby let, and are repairable within a reasonable time, then in that event this lease shall remain in full force and effect, but there shall be an abatement in rent to the proportion that the damaged portion of the leased premises bears to the whole of said leased premises.

10. UTILITIES AND SERVICES: When the building is equipped for the use of Lessee, Lessee shall furnish to Lessee, only in the tub, basin, pipes and fixtures, for such purpose, hot and cold water during the term of this lease, and in the registers, a reasonable amount of heat at reasonable hours; if the weather and outside temperature require it, except when produced by the action of other cause beyond the control of Lessor, and except during the absence of the apparatus provided in the building for the furnishing of such heat and fuel.

Lessee agrees that the UTILITIES AND SERVICES furnished by the Lessor shall be used in a reasonable manner, and the abuse of use of the Lessor's utility cause for termination of this lease.

Lessee shall not be held liable for any injury or damage whatsoever which may result from his failure to furnish hot or cold water or heat, regardless of the cause of such failure, or on account of any default in the building or premises or for rain, wind, or other cause, all claims for such injury or damage being hereby expressly waived by Lessee.

11. STONE AND STRUCTURE REPAIRS: Lessor in person or by agent shall have the right at all reasonable times to enter the leased premises and inspect the same and to show the same to prospective tenants or purchasers. Lessor shall also have the right to display "For Rent" signs on said building or premises and to advertise the same for lease, and may do any thing necessary to place signs, notices, alterations, or additions not in conformity with this lease or with the rules and regulations now or hereafter adopted and may enter at all reasonable times the leased premises to make such repairs and alterations as may be deemed by Lessor necessary to the preservation of the leased premises or the building, but Lessee to not be required to do any repainting upon the premises leased unless so agreed in writing in this lease.

If Lessee refuses to allow Lessor access to the premises or to place "For Rent" signs or interferes with the same, he shall pay, as liquidated damages for this violation, a sum equal to three months' rent.

12. STORAGE: All personal property placed in the leased premises, or in the store rooms or in any other portion of said building or any place appurtenant thereto, shall be at the risk of Lessee, or the parties owning same, and Lessor shall in no event be liable for the loss or damage to such property or for any act or negligence of any tenants or servants of tenants or occupants, or of any other person whomsoever in or about the building.

13. CONVICTION: Should Lessee fail to pay the rent or any part thereof, or the time becomes due, or violate any other term or condition of this lease, Lessor shall then have the right at his option to re-enter the leased premises and terminate the lease; such re-entry shall not bar the right of Lessor to sue or demand for breach of covenants; nor shall the receipt of rent after termination of the lease be deemed a waiver of forfeiture. And in order to enable Lessor to enter it shall not be necessary to give notice of rent being due and unpaid or of other conditions broken or to make demand for rent, the execution of this lease signed by the parties hereto being sufficient notice of the rent being due and demand for the same, and it shall be construed, any law, usage or custom to the contrary notwithstanding.

If Lessee vacates or abandons the premises he shall be liable to the possession of the premises terminated; but the lease terminates only if Lessor so elects.

If Lessee's right to possession is terminated and Lessor to let the premises on account of Lessee, Lessor shall not be required to accept any tenant offered by Lessee or to exercise any diligence whatsoever in procuring another tenant or to mitigate Lessee's damages.

Where Lessor re-lets the premises for the benefit of Lessee the expense of advertising and collection shall be computed at the rate of 7% of the total amount of rent remaining on term of Lessee plus rental commission of one half of one month's rent.

14. HOLD-OVER: If Lessee or a sub tenant thereof remains or continues to be in possession of the leased premises or any part thereof after the termination of this lease, Lessor shall, at his option, have the right to charge Lessee, as liquidated damages for the time such possession is withheld a sum equal to twice the amount of rent, or to treat such holding over as a tenancy at will of Lessee of the lease for another year, upon the same terms and conditions as at the time the lease was first made, or under this lease and in the event Lessor elects to treat such holding over as a tenancy at will, each and all of the terms of this lease shall be and remain in full force and effect for the renewal term.

15. ATTORNEY'S FEES: In the event of the employment of an attorney by Lessor because of violation by Lessee of any term or condition of this lease, Lessee shall pay such attorney's fees.

16. NOTICE: All notices and demands authorized or required to be given to Lessee hereunder may be served upon Lessee in person or by mail addressed to him at the leased premises.

All covenants and representations are binding and enforce to the benefit of the heirs, executors, administrators and assigns of Lessor and Lessee.

17. RULES AND REGULATIONS A PART OF LEASE: The rules and regulations attached or consisted on the reverse side hereof are hereby made a part of this lease and Lessee shall observe the same. Failure to keep and observe said rules will constitute a breach of the terms of this lease in the same manner as if contained herein as covenants, and a failure to observe the same shall be of the same effect. Lessee shall keep and observe such further reasonable rules and regulations as may later be required by Lessor at his agent, which may be necessary for the proper and orderly use of the building of which the premises herein demised are a part.

18. OCCUPANCY LIMITATION: The Lessee is in violation of this lease if more than _____ persons or persons other than those listed on the attached application are residing in the subject apartment.

19. LATE PENALTY: A late penalty of twenty-five (\$25.00) will be assessed if monthly rent has not been paid within five (5) days after due date.

20. WAIVE REMEDIES: Lessee further covenants and agrees to indemnify and save harmless the Lessor from any and all claims and demands for damages to persons or property, or for loss of life, and against any and all loss, cost, damages, charges, penalties and expense relating to or arising from the fault, breach, or violation of Lessee or from the violation of any law, ordinance or statute, or resulting or arising out of any accident or other occurrence, direct or indirect, in the use and occupancy of said premises by the Lessee.

21. INVALIDITY: The invalidity of illegality of any particular provision of this lease shall not affect the other provisions hereof but the lease shall be construed in all respects as if such invalid or illegal provisions were omitted, and the other provisions will remain in full force and effect.

APPLIANCE AND FURNISHING RECEIPT

Lessee acknowledges receipt of the following items located in the leased premises:

1. Range and oven including exhaust fan.
2. Refrigerator.
3. Air-Conditioner.
4. Wall to wall carpeting in the entire apartment except kitchen, bath, and closets.

Lessee agrees not to remove any of the aforementioned items from the leased premises; agrees to maintain and keep same in good condition; agrees to care, clean and maintain the carpeting; and agrees to pay for all damages to the aforesaid property, natural wear and tear excepted.

1. Animals, birds or reptiles are not allowed on demised premises.
2. Use of all facilities and grounds will be governed by rules and regulations set forth by Lessor's agent.
3. Replacement light bulbs will be furnished by the Lessee.
4. No radio or TV or connection shall be installed or maintained by the Lessee outside of the demised premises.
5. Use of laundry room will be governed by rules and regulations set forth by Lessor's agent.
6. It shall be the Lessee's responsibility to place all garbage and rubbish in the central area designated for that purpose.
7. Lessee shall not cause nor permit anything to be hung from the outside of the windows, balconies or balcony railings.
8. Lessee shall not store or place, or cause to be stored or placed, articles of any nature or refuse in halls, foyers, landings, stairways or entry areas.
9. The Lessee shall not alter any lock or install a new lock or a knocker or other attachment on any door of the apartment without written consent of the Lessor or his agent.
10. There shall be no cooking or baking done in or about the apartment except in the kitchen. Cooking on a barbecue or other similar equipment on portions of the balcony is expressly forbidden.
11. There will be a service charge if plumbing repairs or maintenance shall be necessary due to negligence and/or misuse of plumbing fixtures by the Lessee.
12. The Lessee shall not park a car or other vehicles not in regular use (regular use shall be construed as a vehicle that is used less than once a week) in the parking area provided or adjacent streets.
13. Lessee will be allowed to put his name in the proper place provided in the mail box and only in the form approved by the lessor or his agent.
14. Children shall not be permitted to loiter or play on the stairways, halls, porches or court areas used generally by the public or other tenants.
15. All damages to the building, caused by the moving or carrying of articles therein, shall be paid by the lessee.
16. The front hall, stairway and back porches shall not be used for storage of furniture or other articles.
17. The water shall not be left running for an unreasonable or unnecessary length of time.
18. Lessee shall not interfere in any manner with any part of the heating, lighting, refrigerating or cooling apparatus in or about the demise premises or in or about the building containing the same.
19. Laundry work shall be done only in the place provided for such purposes.
20. Owner reserves the right to assign parking spaces.
21. No water beds.
22. No more than two adult occupants per apartment without the consent of the Lessor.
23. No more than two cars per apartment without the consent of the Lessor.
24. No automatic washing.
25. No washing of cars, changing of oil or any other mechanical function allowed in the parking area.

CONDITIONS FOR VACATING AN APARTMENT AND RETURN OF SECURITY DEPOSIT

1. If the lease is terminated according to its terms and the security deposit shall be returned after the apartment has been completely vacated for a period of ten days. This is firm company policy and will not be varied as it allows a period of time for any repairs or damage to be discovered and the clearance of your deposit through our accounting department.
 - (a) A labor charge will be made for cleaning appliances.
 - (b) Carpeting must be cleaned or left in a clean condition. It is required that the resident have the carpeting professionally cleaned by a merchant actively engaged in the carpeting cleaning business. If the management must clean the carpet the entire apartment will be done and charged against the security deposit.
 - (c) Charges for any other damage will be made upon final apartment inspection.
 - (d) If the apartment is returned to the management in the condition that was existing at the time the resident first occupied, the entire security deposit will be returned.
 - (e) A charge of \$5.00 will be made for failure to return all apartment and mail box keys.
 - (f) Any charges for repair or late charges shall be deducted at the time the security deposit is to be returned.
2. If the lease is broken for any reason, the entire security deposit shall be considered to be minimum damages and/or expenses resulting from the default or vacation of the premises by the Lessee.
 - (a) In addition to loss of the entire security deposit, the then former resident shall be obligated to the full amount of all rents due for the balance of the unused months still remaining on the lease, plus the cost of any and all repairs and cleaning necessary to put the apartment back to original occupancy condition.
 - (b) Forwarding address must be left by those leaving their apartment. This will eliminate the necessity of calling places of employment and credit bureau for billing.
3. Payment of obligated rent must be prompt upon billing to avoid damage to credit ratings.
4. Apartment must be vacated and left in clean condition ready for inspection on or before 12:00 noon of the last day of the lease term.
5. If Lessee chooses to renew lease such renewal must be executed a minimum of one calendar month prior to expiration date of the existing lease.
6. If Lessee chooses to vacate the apartment at the termination of the lease, Lessee shall notify Lessor in writing a minimum of one calendar month prior to expiration date of said lease, of Lessee's "intention to vacate". Failure of Lessee to give one calendar month written notice of "intention to vacate", shall result in forfeiture of Lessee's security deposit.

It is expressly understood and agreed that the attached application for the lease signed by one of the Lessees is made a part of this lease and this lease is not binding until it has been countersigned by an officer of the Lessor's Company.

IN WITNESS WHEREOF, the parties hereby accept the above written terms, conditions and covenants, rules and regulations, and hereunto set their signatures, the day and year first above written.

Lessee

Lessee

Lessor or Agent

Lessor or Agent

LEASE

FROM

TO

Ridgewood APTS

Address _____

Apt. No. _____

Monthly in Advance, \$ _____

From _____ 19____

Expires _____ 19____

EXHIBIT A

LEGAL DESCRIPTION 628-630 SHELBY PLACE, HOBART IN

Lots Four (4) and Five (5), Pokagon Heights, Unit Two (2), City of Hobart, as shown in Plat Book 42, page 9, Lake County, Indiana.

LEGAL DESCRIPTION 2080 RAND STREET, HOBART IN

Lot 29, Pokagon Heights, Unit No. 1, City of Hobart, as shown in Plat Book 41, page 64, Lake County, Indiana.

