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THIS ASSIGNMENT, ALLONGE AND MODIFICATION AGREEMENT, made and entered into as of the 25th day of June, 1992, by and between NSA III, an Indiana limited partnership, hereinafter with its successors and assigns called "Mortgagor"; Midwest Commerce Banking Company, as Trustee, an Indiana banking corporation, whose address is Franklin and Second Streets, Elkhart, Indiana, 46516, hereinafter called "Assignor", and Society Bank, Indiana, as Trustee, an Indiana banking association, whose address is 202 S. Michigan, South Bend, IN 46601 hereinafter with its successors and assigns called "Mortgagee".

WITNESSETH:

WHEREAS, the Mortgagor has executed and delivered to Assignor a Mortgage Note dated June 14, 1983, in the amount of \$9,975,000, secured by a Mortgage dated June 13, 1983, recorded on June 14, 1983 as Document No. 712356 in the office of the Recorder of Lake County, State of Indiana covering certain real property situated in Gary, Indiana, and more particularly described therein; and

WHEREAS, the aforesaid Mortgage Note and Mortgage were amended by a certain Modification Agreement by and between Mortgagor and Assignor dated as of February 15, 1985 recorded on February 20, 1985 as Document No. 792628 of the said records of Lake County, and as so amended are hereinafter referred to as the "Note" and the "Mortgage" respectively; and

WHEREAS, the loan evidenced by the Note and secured by the Mortgage was financed by a portion of the proceeds of the Mortgage Revenue Bonds Series 1992A (FHA Insured Mortgage Loan - Gary NSA III Section 8 Assisted Project) dated May 15, 1983 (the "Prior Bonds"), and the Note and Mortgage have been heretofore held and owned by Assignor as Trustee for the Prior Bonds, and have been pledged to the payment of the Prior Bonds; and

WHEREAS, in conjunction with an advance refunding and defeasance of the Prior Bonds, the parties desire that the Note and Mortgage be assigned to Mortgagee, as trustee under the indenture securing the \$9,780,000 Fifth Avenue Housing Development Corporation Taxable Mortgage Revenue Bonds, Series 1992A (FHA Insured Mortgage Loan - Gary NSA III Section 8 Assisted Project), and \$1,010,000 Fifth Avenue Housing Development Corporation Taxable Mortgage Revenue Bonds, Series 1992B (FHA Insured Mortgage Loan - Gary NSA III Section 8 Assisted Project), and when, as and if issued, the \$9,780,000 Fifth Avenue Housing Development Corporation Mortgage Revenue Bonds, Series 1993A (FHA Insured Mortgage Loan - Gary NSA III Section 8 Assisted Project) and further desire that the Note be amended to alter the provisions thereof for prepayment of the Note; to reduce the interest rate payable on the Note, effective March 1, 2004; and to alter the level monthly payment terms of the Note accordingly.

NOW THEREFORE, in consideration of the premises and of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt of which is hereby acknowledged by all parties hereto, the parties hereby agree as follows:

- 1. Assignor hereby sells, assigns, transfers and sets over to Mortgagee, without recourse, the Note and the Mortgage, and all sums of money due and to become due thereon, as well as any and all security agreements or other documents ancillary to the Note and the Mortgage transaction including any assignment of Housing Assistance Payments, and all escrow and reserve deposits of any kind or nature held by Assignor on account of or pursuant to the Note, Mortgage or any document ancillary thereto. Mortgagee accepts such assignment and agrees to act as mortgagee pursuant to the terms of such documents.

CHICAGO TITLE INSURANCE COMPANY
INDIANA DIVISION



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2. The Note is hereby amended as follows incorporating the changes made by the aforesaid Modification Agreement as well as changes made by this Agreement:

A. By deleting all of the first paragraph of the Note, following the words "the principal sum of" in the first sentence thereof and substituting one of the following alternative payment provisions, which incorporate the changes made by the aforesaid Modification Agreement dated February 15, 1985, as well as the changes made by this Allonge:

FIRST ALTERNATIVE, which will become effective in the event the aforesaid Series 1993A, Bonds are issued:

"Nine Million Five Hundred Forty-Six Thousand One Hundred Dollars (\$9,546,100) with interest from date on the unpaid balance at the rate of Ten percent (10.0%) per annum up to and including February 15, 1985, and thereafter at the rate of Eleven and 23/100 percent (11.23%) per annum up to and including February 1, 2004, and thereafter at the rate of seven and one-fourth percent (7.25%) per annum, until paid. In addition thereto, commencing on February 16, 1985, there shall be due and payable a monthly service charge in the amount of \$1,911.45 and a monthly Municipal Bond Insurance Association premium in the amount of \$229.37 through and including July 1, 1992. Commencing August 1, 1992 the aforesaid service charge shall be payable monthly in the amount of \$1,911.45 until the indebtedness is paid in full, and the aforesaid MBIA premium shall no longer be due and payable. Provided, however, that if there is a partial prepayment of principal resulting from the payment of casualty insurance proceeds, a condemnation award or a voluntary prepayment of principal by the Mortgagor, then in such event, the aforesaid service charge shall be reduced pro rata based on the reduction in the outstanding principal amount of the indebtedness.

The principal and interest shall be payable in monthly installments as follows: Interest only payable July 1, 1983, and on the first day of each month thereafter to and including May 1, 1985. Thereafter, commencing on June 1, 1985, installments of interest and principal shall be paid in the amount of Ninety Thousand Three Hundred Sixty-Eight and 92/100 Dollars (\$90,368.92) each, such payments to continue monthly thereafter on the first day of each succeeding month to and including February 1, 2004. Commencing on March 1, 2004, installments of interest and principal shall be paid in the amount of Sixty-Seven Thousand Four Hundred Thirty and 23/100 Dollars (\$67,430.23) each, such payments to continue monthly thereafter on the first day of each succeeding month until the entire indebtedness has been paid. In any event, the balance of principal remaining unpaid plus accrued interest shall be due and payable on May 1, 2025. The installments of interest and principal which commence on June 1, 1985 shall be applied first to interest at the rate of Eleven and Twenty-Three One Hundredths percent (11.23%) per annum upon the principal sum or as much thereof as shall from time to time remain unpaid and the balance thereof shall be applied on account of principal. The installments of interest and principal which commence on March 1, 2004 shall be applied first to interest at the rate of Seven and One-Fourth percent (7.25%) per annum upon the principal sum or as much thereof as shall from time to time remain unpaid, and the balance thereof shall be applied on account of principal."

SECOND ALTERNATIVE, which will become effective in the event the aforesaid Series 1993A, Bonds are not issued:

"Nine Million Five Hundred Forty-Six Thousand One Hundred Dollars (\$9,546,100) with interest from date on the unpaid balance at the rate of Ten percent (10.0%) per annum up to and including February 15, 1985, and thereafter at the rate of Eleven and 23/100 percent (11.23%) per annum up to and including February 1, 2004, and thereafter at the rate of Eight and One-Half percent (8.5%) per annum, until paid. In addition thereto, commencing on February 16, 1985, there shall be due and payable a monthly service charge in the amount of \$1,911.45 and a monthly Municipal Bond Insurance Association premium in the amount of \$229.37 through and including July 1, 1992. Commencing August 1, 1992 the aforesaid service charge shall be payable monthly in the amount of \$1,911.45 until the indebtedness is paid in full, and the aforesaid MBIA premium shall no longer be due and payable. Provided, however, that if there is a partial prepayment of principal resulting from the payment of casualty insurance proceeds, a condemnation award or a voluntary prepayment of principal by the Mortgagor, then in such event, the aforesaid service charge shall be reduced pro rata based on the reduction in the outstanding principal amount of the indebtedness.

Document is NOT OFFICIAL!
This Document is the property of the Lake County Recorder
The principal and interest shall be payable in monthly installments as follows: Interest only payable July 1, 1985, and on the first day of each month thereafter to and including February 1, 2004. Commencing on June 1, 1985, installments of interest and principal shall be paid in the amount of Ninety Thousand Three Hundred Sixty-Eight Thousand and 92/100 Dollars (\$90,368.92) each, such payments to continue monthly thereafter on the first day of each succeeding month to and including February 1, 2004. Commencing on March 1, 2004, installments of interest and principal shall be paid in the amount of Seventy-Four Thousand Three Hundred Twenty-Seven and 59/100 Dollars (\$74,327.59) each, such payments to continue monthly thereafter on the first day of each succeeding month until the entire indebtedness has been paid. In any event, the balance of principal remaining unpaid plus accrued interest shall be due and payable on May 1, 2025. The installments of interest and principal which commence on June 1, 1985 shall be applied first to interest at the rate of Eleven and Twenty-Three One Hundredths percent (11.23%) per annum upon the principal sum or as much thereof as shall from time to time remain unpaid and the balance thereof shall be applied on account of principal. The installments of interest and principal which commence on March 1, 2004 shall be applied first to interest at the rate of Eight and One Half percent (8.5%) per annum upon the principal sum or as much thereof as shall from time to time remain unpaid, and the balance thereof shall be applied on account of principal."

B. By deleting in their entirety the sentence beginning "This Mortgage Note is subject to prepayment", and the sentence beginning "No prepayment of the Mortgage Note shall be consented to" contained in the Note Rider, which sentences shall be of no further force or effect, and substituting therefor the provisions of the Prepayment Rider attached hereto and hereby made a part of the Note, which provisions shall exclusively govern the Maker's right to prepay principal of the Note.

3. The Mortgage, having been amended by the aforesaid Modification Agreement dated February 15, 1985 to refer to a principal sum of \$9,546,100 is further amended hereby.

4. Nothing herein contained shall in any way impair the Note, the Mortgage, or any other security now held for the indebtedness evidenced by the Note and secured by the Mortgage, or alter, waive, vary or affect any provisions, condition, or covenant therein, except as herein specifically provided, or affect or impair any rights, powers or remedies under the Note or the Mortgage, the parties intending that the terms and provisions of the Note and the Mortgage shall continue in full force and effect except as modified hereby.

5. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Mortgagor, Assignor and Mortgagee have caused this instrument to be executed by their duly authorized partner or officers, as of the date first above mentioned.

ASSIGNOR:

Attest:

Document is

MIDWEST COMMERCIAL BANKING COMPANY, as Trustee

NOT OFFICIAL!

Kerri L. Ritchie This Document is the property of *Terry S. Fredericks*
the Lake County Recorder, Vice President

~~Kerri L. Ritchie, Trust Officer~~
Printed Name and Title

STOP

MORTGAGEE:

Attest:

SOCIETY BANK, INDIANA, as Trustee

By: Cynthia A. Snyder
Sr. Corporate Trust Officer



Printed Name and Title

MORTGAGOR:

NSA III, an Indiana limited partnership

By: Gerald P. Gulling
General Partner

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ASSIGNOR:

Attest:

Document is NOT OFFICIAL!

MIDWEST COMMERCIAL BANKING COMPANY, as Trustee

This Document is the property of

By: Terri S. Fredericks
Vice President

Printed Name and Title

STOP

MORTGAGEE:

Attest:

SOCIETY BANK, INDIANA, as Trustee

Martha Bull Wargo



By: Cynthia A. Snyder
Sr. Corporate Trust Officer

Martha Bull Wargo
Corporate Trust Officer

Printed Name and Title

MORTGAGOR:

NSA III, an Indiana limited partnership

By:

Gerald P. Gulling
General Partner

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IN WITNESS WHEREOF, the Mortgagor, Assignor and Mortgagee have caused this instrument to be executed by their duly authorized partner or officers, as of the date first above mentioned.

ASSIGNOR:

Attest:

MIDWEST COMMERCE BANKING
COMPANY, as Trustee

Document is
NOT OFFICIAL!

This Document is the property of
the Lake County Recorder!

Teri S. Fredericks
Vice President

Printed Name and Title

STOP

MORTGAGEE:

Attest:

SOCIETY BANK, INDIANA, as
Trustee



By:

Cynthia A. Snyder
Sr. Corporate Trust Officer

Printed Name and Title

MORTGAGOR:

NSA III, an Indiana limited
partnership

By: Gerald P. Gulling
Gerald P. Gulling
General Partner

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ACKNOWLEDGMENT OF
MIDWEST COMMERCE BANKING COMPANY

STATE OF INDIANA)
) SS
COUNTY OF ELKHART)

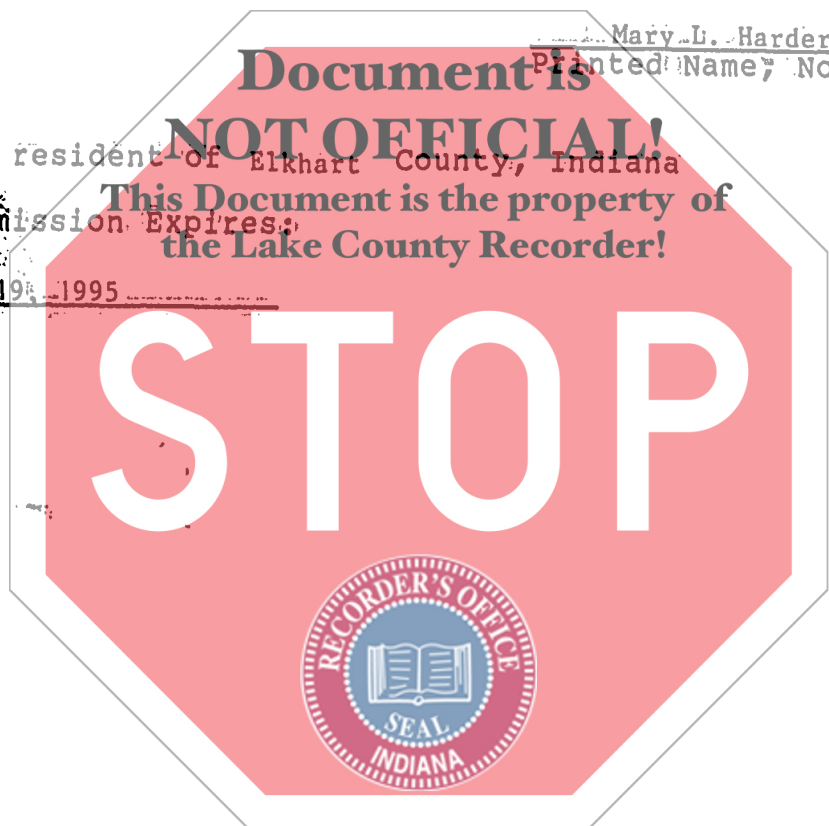
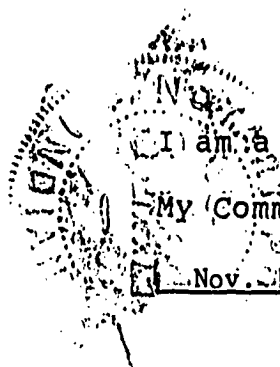
Before me, a Notary Public in and for the State of Indiana, personally appeared Teri S. Fredericks, Vice President of Midwest Commerce Banking Company, a Indiana banking corporation, as Trustee, who acknowledged the execution of the foregoing instrument on behalf of said corporation, and who, having been duly sworn, stated that the representations contained therein are true.

Witness my hand and Notarial Seal this 19th day of June, 1992.

SEAL

Mary L. Harder

Mary L. Harder
Printed Name, Notary Public



APPROVED:

SECRETARY OF HOUSING AND
URBAN DEVELOPMENT, acting by
and through the FEDERAL
HOUSING COMMISSIONER

By: Keith W. Lerch
KEITH W. LERCH Acting Manager
Printed Name and Title



PREPAYMENT RIDER
June 25, 1992

Notwithstanding anything to the contrary in this Note (excluding this PREPAYMENT RIDER) or the Mortgage, this Note shall not be subject to prepayment prior to maturity except that:

(A) This Note shall be subject to mandatory prepayment in whole or in part at any time upon fifteen (15) days' prior written notice to the holder of this Note from the proceeds of any casualty insurance or condemnation awards received following a partial or total destruction or condemnation of the project described in the Mortgage (the "Project"), in the event and to the extent that such casualty proceeds or condemnation awards are not applied to the repair or restoration of the Project in accordance with the HUD loan documents and the Indenture. The Maker hereby agrees to exercise its option to reamortize the principal balance of this Note on terms acceptable to the Secretary of Housing and Urban Development and to the Mortgagee in the event there is such a mandatory prepayment and there is a resulting loss of Project income;

(B) This Note shall be subject to prepayment in whole but not in part, at the option of the Maker (prior to the original expiration date of the MAP Contract relating to the Project with the prior written consent of the holder and HUD), on July 1, 2001, or on the first day of any month thereafter, upon at least forty-five (45) days' advance written notice to the holder at a price equal to the sum of (a) the outstanding balance of the Note on the date of prepayment, plus (b) any unpaid accrued interest thereon, plus, prior to July 1, 2003, (c) a premium equal to the sum of (i) the amount of the Note on the date of prepayment multiplied by the applicable percentage shown in Column 1 of the attached Exhibit A to Prepayment Rider and (ii) the amount of outstanding Bonds related to the Note multiplied by the applicable percentage shown in Column 2 of the attached Exhibit A. The outstanding balance of the Note and outstanding Bonds related to the Note on each July 1 and January 1 are shown in Columns 3 and 4 of the attached Exhibit A and are subject to prorata reduction in the event of any partial prepayment pursuant to the preceding paragraph.

Any premium required to be paid pursuant to the foregoing provisions shall be paid to the holder at least one hundred and twenty-four (124) days prior to the date on which the principal and interest on this Mortgage Note are prepaid.

(C) This Note shall be subject to prepayment in whole or in part without notice if a trustee in a bankruptcy proceeding with respect to the Maker causes this Note to be so paid.

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EXHIBIT "A"
TO
PREPAYMENT RIDER

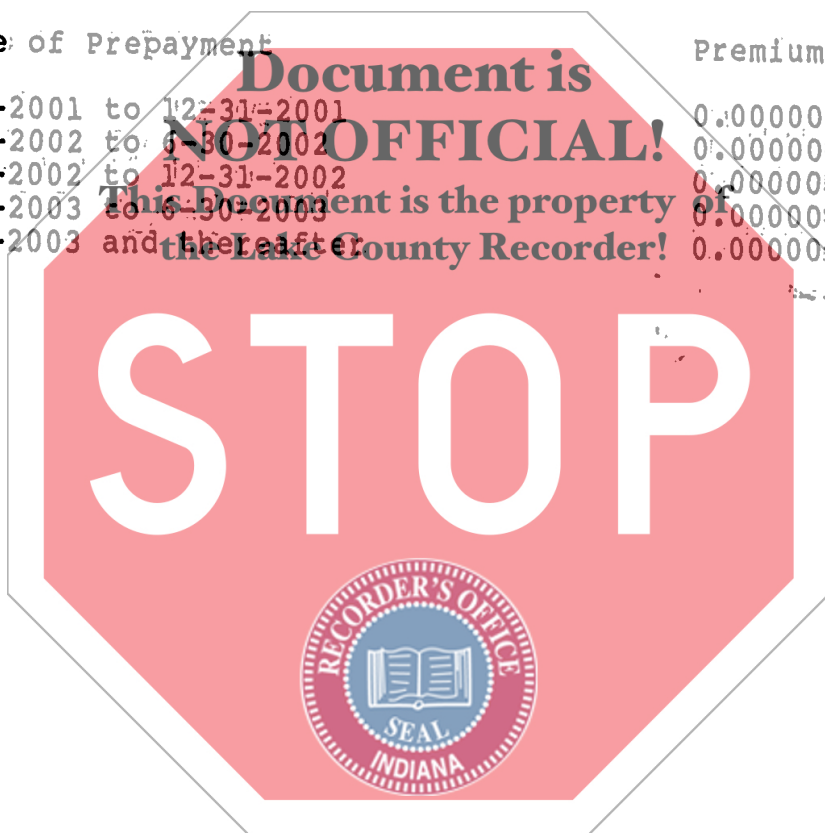
Fifth Ave HDC--Gary NSA III Apts.: Series 1992 Refunding Bonds

Applies if interest rate is to be reduced to 8.50% per annum effective August 1, 2004.

| Date of Prepayment | Premium |
|-------------------------|---------|
| 7-1-2001 to 12-31-2001 | 2.15600 |
| 1-1-2002 to 6-30-2002 | 1.90996 |
| 7-1-2002 to 12-31-2002 | 0.73537 |
| 1-1-2003 to 6-30-2003 | 0.48215 |
| 7-1-2003 and thereafter | 0.00000 |

Applies if interest rate is to be reduced to 7.25% per annum effective August 1, 2004.

| Date of Prepayment | Premium |
|-------------------------|---------|
| 7-1-2001 to 12-31-2001 | 0.00000 |
| 1-1-2002 to 6-30-2002 | 0.00000 |
| 7-1-2002 to 12-31-2002 | 0.00000 |
| 1-1-2003 to 6-30-2003 | 0.00000 |
| 7-1-2003 and thereafter | 0.00000 |



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