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**FIRST CITIZENS BANK**

515 Franklin Square  
Michigan City, IN 46360  
(219) 879-0211  
LENDER - Member FDIC

96030001

The VAP Limited Partnership  
2624 West Lincoln Highway  
Merrillville, IN 46410

Telephone Number

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

96 MAY -7 AM 10:05

BARBARA CLEVELAND  
RECORDER

219-769-9441

**ASSIGNMENT OF LESSOR'S INTEREST IN LEASE**

Chicago Title Insurance Company

**BORROWER**

**ADDRESS OF LEASED PREMISES**

The VAP Limited Partnership  
2624 West Lincoln Highway  
Merrillville, IN 46410

5970 Broadway  
Gary, IN 46409

OFFICER INITIALS	INTEREST RATE	PRINCIPAL AMOUNT/ CREDIT LIMIT	FUNDING/ AGREEMENT DATE	MATURITY DATE	CUSTOMER NUMBER	LOAN NUMBER
ESG	VARIABLE	\$1,508,000.00	05/03/96	05/02/06		960326

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. The remedies available to Lender under this Assignment as detailed in paragraph 8 on the reverse side hereof may only be pursued by Lender after a default by Grantor. 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.

- (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 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.
- (f) 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.
- (g) 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 the 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.
- (h) 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.
- (i) 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. Nothing stated in this paragraph 7 shall require Grantor to indemnify Lender for damages resulting from Lender's own negligence or breach of contract.

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: MAY 3, 1996

GRANTOR: The VAP Limited Partnership

BY: Evangelos Proimos  
Evangelos Proimos

TITLE: General Partner

GRANTOR:

BY:

TITLE:

GRANTOR: The VAP Limited Partnership

BY: Andrew Proimos  
Andrew Proimos

TITLE: Limited Partner

GRANTOR:

BY:

TITLE:

Prepared by and return to: Kathleen Jack  
Credit Administration, P.O. Box 800, Michigan City, IN 46360

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4/20/96

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...

(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...

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...

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...

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.

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.

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.

20. ADDITIONAL TERMS:

STATE OF INDIANA
COUNTY OF LAKE

Before me, a Notary Public in and for said County and State, personally appeared THE VAP LIMITED PARTNERSHIP - Andree Permas - General Partner and stated that the representations therein contained are true.

(NOTARIAL SEAL)

Star Lugar
Notary Public, State of Indiana
Lake County
My Commission Expires 06/25/99

Evangelos Permas General Partner

NOTARY PUBLIC
LAKE

My Notarial Commission Expires: 6-25-99 STAR LUGAR (printed signature)

STATE OF
COUNTY OF

Before me, a Notary public in and for said County and State, personally appeared 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.

My Commission Expires: Notary Public Residing in County (printed signature)

Document is  
**NOT OFFICIAL!**

This Document is the property of  
the Lake County Recorder!

**STOP**

Parcel 2: Lots 3 through 8, both inclusive, Block 10, Gary Annex, as shown in Plat Book 9, page 34, in Lake County, Indiana.

