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**MORTGAGE**

99072851 This MORTGAGE dated as of this 30<sup>th</sup> day of August 1999 is from IGLESIA de DIOS PENTECOSTAL, M.I. EMANUEL, INC., an Indiana Corporation registered and doing business in the State of Indiana (hereinafter called the "Mortgagor), to JOHN ELMORE, AS TRUSTEE UNDER A CERTAIN TRUST INDENTURE DATED NOVEMBER 15, 1998, (hereinafter called the "TRUSTEE").

1. The Mortgagor and the TRUSTEE have entered into a TRUST INDENTURE Agreement dated as of the 15th day of November, 1998, (hereinafter called "TRUST INDENTURE"), pursuant to which, upon the terms and conditions stated therein, the TRUSTEE has agreed to accept the trust of establishing, maintaining and monitoring a certain bond issue for the purpose of providing funds necessary for church purposes in the total amount of \$500,000.00.

2. The Mortgagor hereby gives a first mortgage interest in a bond indebtedness for the purposes of providing the aforementioned funds and at a duly held business meeting, the governing body of the Mortgagor duly approved and authorized the creation of such bonded indebtedness and sale of bonds of the Mortgagor in the aforesaid total amount and the execution of this Mortgage to secure such indebtedness.

3. SECURITY. Now therefore, in consideration of the premises and the purchase and acceptance of the bonds by the holders thereof, and in order to secure the payment of said bonds and any modifications, extensions, amendments or renewals of such bonded indebtedness and the performance of the covenants, conditions and agreements herein contained, the Mortgagor grants, bargains, sell, aliens, mortgages and warrants unto the TRUSTEE and to any successor or successors in the TRUST hereby created, all of its right, title and interest in and to the real Property described in Exhibit "A" attached hereto and made a part hereof (hereinafter called the "Property"), together with any and all buildings and improvements now existing or hereafter erected on said Property, all furniture, furnishings, fixtures and equipment now or hereafter placed thereon, and all other rights, privileges and appurtenances belonging or in any way appertaining to said Property (said Property and improvements and other items mentioned being hereinafter collectively referred to as "Premises);

4. TITLE TO THE PREMISES. Mortgagor represents, covenants and warrants to the TRUSTEE that it is seized of the Premises in fee and has the right to convey the same in fee simple; that the same are free from all encumbrances except as specified in Exhibit "A", and that it will warrant and defend the title to the same against the claims of any and all persons whomsoever other than those arising under said encumbrances specified in Exhibit "A". Mortgagor covenants that this Mortgage is and will be kept a first lien upon the Premises and that it will not suffer or permit any charge to accrue which shall have priority over or parity with this Mortgage other than encumbrances or obligations listed or permitted by Exhibit "A". Mortgagor further covenants to give any further or different instrument of conveyance and to make any such further assurance as the TRUSTEE may find necessary or proper to be made in the Premises.

5. INSURANCE. Mortgagor covenants to keep the buildings and permanent fixtures, furniture, equipment and personal Property, now and at any time hereafter situated on the Premises

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insured against loss or damage by fire and against loss or damage by windstorm in amounts equal to no less than eighty percent (80%) of the full insurable value thereof and to cause all policies or insurance to be made payable to the TRUSTEE, to the extent of the indebtedness owing and unpaid hereunder, and to deliver the policies of insurance as they are from time to time written to the TRUSTEE.

6. **TAXES AND ASSESSMENTS.** Mortgagor covenants that it will pay and discharge, as the same from time to time becomes due and payable, all taxes and assessments, including assessments for special benefits, which by any competent taxing or assessing authority may be assessed or levied on the Premises, or any part thereof.

7. **MAINTENANCE OF IMPROVEMENTS.** Mortgagor agrees to keep up and maintain the buildings, structures and improvements on the Premises in good order and condition; to make reasonably all necessary repairs, renewals and replacements, and not to suffer or permit any waste or damage thereto. Mortgagor covenants and agrees that any permanent fixtures by it placed or installed upon the Property shall, for the purposes of this Mortgage, be considered as part of the realty and inure to the benefit of the bondholders or TRUSTEE secured hereby.

8. **DEFAULT AND REMEDIES.** Should an event of default occur, as that term is defined in the TRUST INDENTURE executed by the parties hereto, TRUSTEE shall notify Mortgagor in writing of such default and be entitled to exercise one or more of the remedies provided herein which remedies shall be cumulative.

A. **ACCELERATION.** If any event of default hereunder continues for a period of thirty (30) days, then the TRUSTEE may, and if the holders of twenty-five percent (25%) in the amount of the principal sum of the bonds then outstanding in writing so request, the TRUSTEE, shall by notice to the Mortgagor, declare the principal of all bonds then outstanding hereunder, together with all accrued interest thereon, and all such taxes, assessments and insurance monies unpaid, to be forthwith due and payable, notwithstanding the time limit in the several bonds shall not have expired. This provision, however, is subject to the condition that if at any time after the principal of said bonds shall have been so declared due and payable, and before any sale of the Premises shall have been made, all defaults hereunder shall have been cured and all amounts in respect of which said Mortgagor shall then be in default under this Mortgage or the TRUST INDENTURE together with the expenses and reasonable charges of the TRUSTEE including the expenses and reasonable attorney's fees, with interest at the Default Rate of Interest on all such last mentioned items shall be paid by the Mortgagor, then the TRUSTEE shall waive such default and its consequences by written notice to Mortgagor but no such waiver shall extend to or effect any subsequent default or impair any rights consequent hereon.

B. **SURRENDER OF PREMISES.** Upon the happening of any event of default which continues for the period of thirty (30) days, Mortgagor, upon demand of the TRUSTEE, shall forthwith surrender to the TRUSTEE the actual possession of, and it shall be lawful for the TRUSTEE, by such officer or agents, servants and employees as it may appoint, to take possession of the Premises, along with the relevant books, papers, and accounts of the Mortgagor, and to hold,

operate and manage such Property, and from time to time make all needful repairs, and such alterations, additions, advances and improvements as to them shall seem wise; and to receive the rents, income, issues and profits thereof and out of them to pay all proper costs and expenses of so taking, holding and managing such Property, including reasonable compensation to the TRUSTEE, its agents, servants and employees and counsel, and any charges of the TRUSTEE hereunder, and any taxes and assessments and other charges prior to the lien of these presents which the TRUSTEE may deem it wise to pay. The remainder of the monies so received by it shall be utilized to pay interest and principal on the bonds. Provided, however, that it shall not be obligatory upon the TRUSTEE to take possession in the event of default.

C. **NOTICE OF DEFAULT.** Within thirty (30) days after the occurrence of any event of default hereunder of which TRUSTEE have knowledge or is required to notice, the TRUSTEE shall transmit by mail to all bondholders, as their names and addresses appear in the bond register, notice of such default hereunder known to the TRUSTEE and TRUSTEE's intentions with respect thereto, unless such default shall have been cured or waived; provided, however, that except in the case of a default in the payment of the principal or interest on any bonds, the TRUSTEE shall be protected in withholding such notice if and so long as the TRUSTEE in good faith determine that the withholding of such notice is in the interest of the bondholders.

D. **POWER OF SALE.** Upon the happening of any event of default which continues for a period of thirty (30) days, the TRUSTEE may, or the TRUSTEE shall upon receipt of written requests from the registered bondholders of twenty-five percent (25%) in the principal amount of all bonds secured hereby that are then outstanding and unpaid, proceed to sell the entire Property conveyed herein, in one or more parcels, as provided by the laws of the state for foreclosure of mortgages to the highest bidder at public auction conducted in the manner prescribed hereinafter. Unless otherwise provided by law or court order, any sale hereunder shall be at public auction, before the courthouse door in the political subdivision where the Property conveyed is located, to the highest bidder for cash, in accordance with the laws of the state in which the Property is located. This power of sale shall not be exhausted until all bonds secured hereby and interest thereon have been paid, and one or more sales may be held hereunder. Anyone may bid and/or purchase at such sale, including the TRUSTEE and any bondholder. In the event the TRUSTEE bids on behalf of the bondholders, it shall be entitled to bid the full principal amount of bonds outstanding plus accrued interest and all other amounts owing to it by Mortgagor hereunder, and to receive a credit in said amount against the price so bid.

9. **CHOICE OF LAWS.** Any dispute or controversy involving the provisions of this Agreement shall be resolved in accordance with the laws of the State of Indiana and any litigation instituted hereunder shall be brought in the State of Indiana and subject to its laws and procedure.

10. **PARTIES BOUND.** This agreement binds and inures to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.

11. **ENTIRE AGREEMENT.** This writing constitutes the complete and entire agreement of the parties and no representations, warranties, covenants or conditions exists which are not set

forth herein.

ALL OF WHICH IS AGREED TO this 30<sup>th</sup> day of August 1999.

STATE OF INDIANA )  
COUNTY OF LAKE )

ss:

IGLESIA de DIOS PENTECOSTAL, M.I.  
EMANUEL, INC., MORTGAGOR

*Rev. Gilberto Novales*  
Rev. Gilberto Novales, Pastor  
President, Board of Trustees

Subscribed and sworn to before me this 30<sup>th</sup> day of August 1999.

Commission Expires:

11-20-01

NOT OFFICIAL!  
This is the property of  
the Lake County Recorder!

*Cynthia E. Adair*  
NOTARY PUBLIC

*Cynthia E. Adair*  
Typed/Printed Name of Notary  
Resident of Lake County



Exhibit "A"

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**LEGAL DESCRIPTION**

Lots 26 through 34, both inclusive, in Block 17 in Second Addition to Indiana Harbor, in the City of East Chicago, as per plat thereof, recorded in Plat Book 5 page 18, in the Office of the Recorder of Lake County, Indiana.

