

STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2002 045810

2002 MAY 16 AM 8:51

NORRIS W. CARTER  
RECORDER

### REAL ESTATE MORTGAGE

**Renaissance Enterprises LLC**, an Indiana limited liability company ("Mortgagor"), mortgages and warrants to **WILLIAM RONALD DAY** and **CHRISTINA LYN DAY**,\* whose address is 1649 Hayes Leonard Road, Valparaiso, Indiana 46385 ("Mortgagee"), the following described real estate in Lake County, Indiana:

\*AKA WILLIAM R. DAY AND CHRISTINE L. DAY

Two parcels of land: Parcel 1, LOTS 130 AND 131 IN BON-AIRE SUBDIVISION UNIT NO. 7 \* PARCEL 2 LOT 148 AND THE WEST 50 FEET BY PARALLEL LINES OF LOT 147 IN BON AIRE SUBDIVISION UNIT NO. 8 BOTH PARCELS ARE LOCATED IN MERRILLVILLE IN LAKE COUNTY INDIANA. \*\*

\*RECORDED IN PLAT BOOK 41 PAGE 95

\*\*RECORDED IN PLAT BOOK 42 PAGE 99

Commonly known as the Bon Aire Apartments at 2601, 2611, 2621, and 2649, 61<sup>st</sup> Place in Merrillville Indiana

together with all improvements, appurtenances, and fixtures attached, erected or used in connection with the real estate or hereafter acquired, attached, erected, appurtenant or used in connection with the real estate, and together with all rents, issues, income, profits, rights, privileges, interests, easements thereof (hereinafter collectively referred to as the "Real Estate"), subject to the Prior Mortgage (as defined herein).

This Mortgage is given to secure:

- (a) the payment of a promissory note dated as of the date hereof, drawn by Mortgagor to the order of Mortgagee, in the amount of \$170,000.00, with final payment due May 5, 2007 (the "Note") together with all interest and all other amounts payable thereunder;
- (b) the performance by Mortgagor of all covenants, agreements, promises, payments, and conditions contained in this Mortgage; and

701 E. TITLE INSURANCE  
VALPARAISO, IN 46385  
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(c) the payment and performance of all future advances and all future modifications, extensions, and renewals of any indebtedness or obligations otherwise secured hereby, provided that the principal amount of such future advances secured hereby will not exceed \$100,000.

Notwithstanding any other provisions hereof, it is expressly understood and agreed that the Real Estate is encumbered pursuant to a certain Mortgage in the principal amount of \$1,360,000.00, made by Mortgagor, dated as of May 6, 2002, and recorded on May \_\_\_ 2002, in the Office of the Recorder of Lake County, Indiana, in Mortgage Record \_\_\_ Page \_\_\_ as Document Number \_\_\_\_\_ to and for the benefit of South Holland Bank of Illinois (the "Prior Mortgage"). This Real Estate Mortgage is and will be subordinate and inferior to the lien of the Prior Mortgage, and the warranty of Mortgagor provided in this Real Estate Mortgage is and will be subject to an exception for the Prior Mortgage.

Mortgagor, for itself and its successors and assigns, covenants and agrees with Mortgagee and their successors and assigns, as follows:

1. Default. If there is a default in the payment or performance of any indebtedness hereby secured, or if the Real Estate or any part thereof should be attached, levied upon or seized, or if Mortgagor should become bankrupt or insolvent or make an assignment for the benefit of creditors, or if a receiver should be appointed for Mortgagor or otherwise with respect to the Real Estate, then the Real Estate will be subject to foreclosure of this Mortgage, and Mortgagee, if it elects to foreclose the same, will become entitled to the immediate possession of the Real Estate together with the rents, issues, income and profits therefrom and all amounts due are payable without relief from valuation or appraisal laws and Mortgagor will pay all costs and attorneys' fees incurred by Mortgagee in the enforcement of the terms hereof. Without limiting the foregoing, Mortgagor will pay to Mortgagee, as additional amounts due hereunder, the amount of any and all reasonable costs and expenses, including but not limited to attorneys' fees, incurred by Mortgagee in enforcing any of his rights under this Mortgage or under the Note or otherwise with respect to any obligations secured by this Mortgage.

2. Condition and Use of Real Estate. All uses of the Real Estate will be in accordance with all applicable laws, statutes, ordinances, regulations, and rules, including but not limited to zoning requirements.

3. Taxes, Assessments, and Liens. Mortgagor will pay all taxes, assessments, charges, fines and impositions attributable to the Real Estate which may attain priority over this Mortgage.

4. Insurance. If and to the extent that any improvements are situated on the Real Estate, Mortgagor will maintain one or more policies of insurance with respect to the Real Estate, which insurance will insure against damage to the Real Estate by fire, vandalism, explosion, windstorm, or any other cause customarily included in the term "extended coverage", the policies to be issued by insurance companies and to contain terms reasonably acceptable to Mortgagee. Such insurance will provide for coverage in an amount not less than the greater of: (a) \$1,700,000, or (b) the sum of all amounts outstanding with respect to the Note and all amounts outstanding with respect to the obligations secured by the Prior Mortgage. Mortgagee will be listed as a named insured or as an additional insured with respect to such policy or policies. Mortgagor will pay all premiums for all such insurance.

5. Inspection. Mortgagee and his agents may make reasonable entries upon and inspections of the Real Estate. Mortgagee will give Mortgagor notice at the time of or prior to an inspection.

6. Performance by Mortgagee. If Mortgagor fails to make any payment or to obtain any insurance, service or materials necessary for the performance of any of Mortgagor's covenants above set forth, or if Mortgagor otherwise fails to take any action required hereunder, then Mortgagee at its option may do so, and its expenditures for any such purpose will be added to and become part of the indebtedness hereby secured. Any amounts disbursed by Mortgagee pursuant to this paragraph 6, with interest thereon, will become additional indebtedness of Mortgagor secured by this Mortgage. Unless Mortgagor and Mortgagee agree to other terms of payment, such amount will be immediately due and payable and will bear interest from the date of disbursement at the rate stated in the Note unless collection from Mortgagor of interest at such rate would be contrary to applicable law, in which event such amount will bear interest at the highest rate which may be collected from Mortgagor under applicable law. Nothing contained in this paragraph 6 will require Mortgagee to incur any expense or take any action hereunder.

7. Limitation on Waivers. Mortgagee at his option may extend the time for the payment of any indebtedness hereby secured, or reduce the payments thereon, or accept a note or renewal note therefor, or release any part of the security, or any person liable for the indebtedness, without consent of any junior lienholder, and without the consent of Mortgagor. No such extension, reduction, renewal or release will effect the priority of this Mortgage or impair the security hereof in any manner whatsoever, or release, discharge or affect in any manner the personal liability of Mortgagor to Mortgagee. No delay by Mortgagee in the exercise of any of his rights hereunder will preclude the exercise thereof so long as Mortgagor is in default hereunder and no failure of Mortgagee to exercise any of his rights because of one default will preclude the exercise thereof for a

subsequent default. Mortgagee may enforce any one or more of his rights or remedies hereunder successively or concurrently.

8. Transfer of Interests. In the event Mortgagor, without Mortgagee's prior written consent, sells or transfers any interest in the Real Estate (including the right to possession thereof) or abandons the Real Estate, then at the option of Mortgagee this Mortgage and the Note or indebtedness it secures will become immediately due and payable in full. In such event, Mortgagee may immediately foreclose this Mortgage, all without any notice or demand whatsoever.

9. Notices. All notices under this Mortgage will be in writing and will be personally delivered or sent by certified mail, return receipt requested. Notices will be deemed to have been given when personally delivered or when deposited in the United States mail, with all postage prepaid. Notices hereunder to Mortgagor will be given at the Real Estate or such other address as Mortgagor designates by notice to Mortgagee. Notices hereunder to Mortgagee will be given at the address of Mortgagee listed on the first page hereof or any other address Mortgagee designates by notice to Mortgagor.

10. Governing Law. This Mortgage will be governed by federal law and the law of the State of Indiana. If any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict will not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision. To this end the provisions of this Mortgage and the Note are declared to be severable.

11. Rights of Mortgagee upon Acceleration. Upon acceleration under paragraph I or abandonment of the Real Estate, Mortgagee (by judicially appointed receiver) will be entitled to enter upon, take possession and manage the Real Estate and to collect the rents of the Real Estate including those past due. Any rents collected by Mortgagee or the receiver will be applied first to payment of the costs of management of the Real Estate and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Mortgage.

12. Release. Upon payment of all sums secured by this Mortgage, Mortgagee will deliver a duly executed and recordable Release of this Mortgage to Mortgagor without charge to Mortgagor.

13. Waivers. Mortgagor waives all right of valuation and appraisal and any homestead rights and exemptions which may accrue with respect to the Real Estate.

14. Miscellaneous Provisions. The covenants, agreements, and conditions hereof will be binding upon Mortgagor and the heirs, personal

representatives, successors, and assigns of Mortgagor, and will inure to the benefit of Mortgagee and his successors and assigns. Whenever used, the singular number will include the plural, and the use of any gender will include all genders. All obligations of Mortgagor hereunder will be joint and several. The captions and headings contained herein are inserted for convenient reference only, are not a part hereof and the same will not limit or construe the provisions to which they apply.

IN WITNESS WHEREOF, this Mortgage has been executed by Mortgagor as of May 6, 2002.

Renaissance Enterprises LLC, an Indiana limited liability company

By: Michael L. Proctor  
Michael L. Proctor, ~~Manager~~ MEMBER

STATE OF INDIANA  
COUNTY OF LAKE

SS: **Document is NOT OFFICIAL!**

Before the undersigned, a Notary Public in and for said County and State, on December 6, 2001, personally appeared Michael L. Proctor, personally known to me to be the same person whose name is subscribed to the foregoing instrument as ~~Manager~~ of \*MEMBER Renaissance Enterprises LLC, and being first duly sworn by me upon oath, acknowledged that he has read and understands the foregoing document and that he has affixed his name to and delivered this document as his own free and voluntary act and as the free and voluntary act of said limited liability company for the uses and purposes therein set forth.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.



Margaret E. Lawhead  
Notary Public

My Commission Expires: 9-21-08

County of Residence: Porter

Prepared by William Ronald Day

