CHICAGO TITLE INSURANCE COMPANY

2005 JAN 14 AM 10: 04

MICHAEL A DROYAL RECORDER

PEOPLES BANK SB 9204 COLUMBIA AVENUE MUNSTER IN 46321

2005 002795

60800351062

SPACE ABOVE THIS LINE FOR RECORDER'S USE

630047801

MULTIFAMILY MORTGAGE,

ASSIGNMENT OF RENTS AND SECURITY AGREEMENT (DESCRIPTION EXCEPT EXPERIMENTAL EXCEPT EXPERIMENT EXPE

THIS MORTGAGE (herein "Instrument") is made this

10th

day of January, 2005

, between the Mortgagor/Grantor,

JOHN A LOUGH AND ANN LOUGH, HUSBAND AND WIFE

whose address is 15020 CHESTNUT STREET, BASEHOR, KS 66007

(herein "Borrower"), and the Mortgagee, PEOPLES BANK SB

the laws of

State of Indiana

Ocument Corporation

organized and existing under

whose address is 9204 COLUMBIA AVENUE,

MUNSTER IN 46321

(herein "Lender"). WHEREAS, Borrower is indebted to Lender in the principal sum of Fifty Five Thousand Dollars And No Cents Ocument is the property of

Dollars, which indebtedness is evidenced by Borrower's note dated Quantum 10, 2005 (herein "Note"), providing

for monthly installments of principal and interest, with the balance of the indebtedness, if not sooner paid, due and payable on February 1, 2035

TO SECURE TO LENDER (a) the repayment of the indebtedness evidenced by the Note, with interest thereon, and all renewals, extensions and modifications thereof; (b) the repayment of any future advances, with interest thereon, made by Lender to Borrower pursuant to paragraph 30 hereof (herein "Future Advances"); (c) the performance of the covenants and agreements of Borrower contained in a Construction Loan Agreement between Lender and Borrower dated

, if any, as provided in paragraph 25 hereof; (d) the payment of all other sums, with interest thereon, January 10, 2005 advanced in accordance herewith to protect the security of this Instrument; and (e) the performance of the covenants and agreements of borrower herein contained, Borrower does hereby mortgage, grant, convey and assign to Lender MIXING

AND NOON ON THE PROPERTY OF TH in and to*] the following described property located in

* Delete bracketed material if not completed.

LAKE

, State of Indiana:

LOT 27 IN BLOCK 17 IN PARK ADDITION TO INDIANA HARBOR, IN THE CITY OF EAST CHICAGO, AS PER PLAT THEREOF, RECORDED IN PLAT BOOK 5 PAGE 32, IN THE OFFICE OF THE RECORDER OF LAKE COUNTY, INDIANA.

GREATLAND ■
To Order Call: 1-800-530-9393 □Fax 616-791-1131

INDIANA-Multifamily-1/77-FNMA/FHLMC Uniform Instrument

insuring Lender's interest in the Property.

Borrower covenants that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant, convey and assign the Property (and, if this Instrument is on a leasehold, that the ground lease is in full force and effect without modification except as noted above and without default on the part of either lessor or lessee thereunder), that the Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and Property is unencumbered, and that Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any easements and restrictions listed in a schedule of exceptions to coverage in any title insurance policy

; all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the real property covered by this Instrument, and all of the foregoing, together with said property (or the leasehold estate in the event this Instrument is on a leasehold) are herein referred to as the "Property".

TOGETHER with all buildings, improvements, and tenements now or hereafter erected on the property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water rights, and water stock appurtenant to the property, and all fixtures, machinery, equipment, engines, boilers, incinerators, building materials, appliances and goods of every nature not limited to, those for the purposes of supplying or distributing heating, cooling, electricity, gas, water, air and light, and all elevators, and related machinery and equipment, fire prevention and extinguishing apparatus, security and access control elevators, and related machinery and equipment, fire prevention and extinguishing apparatus, dishwashers, dishwasher



Uniform Covenants. Borrower and Lender covenant and agree as follows:

- PAYMENT OF PRINCIPAL AND INTEREST. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, any prepayment and late charges provided in the Note and all other sums secured by this Instrument.

 2. FUNDS FOR TAXES, INSURANCE, AND OTHER CHARGES. Subject to applicable law or to a written waiver by Lender, Borrower shall
- 2. FUNDS FOR TAXES, INSURANCE, AND OTHER CHARGES. Subject to applicable law or to a written waiver by Lender, Borrower shall pay to Lender on the day monthly installments of principal or interest are payable under the Note (or on another day designated in writing by Lender), until the Note is paid in full, a sum (herein "Funds") equal to one-twelfth of (a) the yearly water and sewer rates and taxes and assessments which may be levied on the Property, (b) the yearly grounds rents, if any, (c) the yearly premium installments for fire and other hazard insurance, rent loss insurance and such other insurance covering the Property as Lender may require pursuant to paragraph 5 hereof, (d) the yearly premium installments for mortgage insurance, if any, and (e) if this Instrument is on a leasehold, the yearly fixed rents, if any, under the ground lease, all as reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Any waiver by Lender of a requirement that Borrower pay such Funds may be revoked by Lender, in Lender's sole discretion, at any time upon notice in writing to reasonably estimated initially and from time to time by Lender on the basis of assessments and bills and reasonable estimates thereof. Any warver by Lender of a requirement that Borrower pay such Funds may be revoked by Lender, in Lender's sole discretion, at any time upon notice in writing to Borrower. Lender may require Borrower to pay to Lender, in advance, such other Funds for other taxes, charges, premiums, assessments and impositions in connection with Borrower or the Property which Lender shall reasonably deem necessary to protect Lender's interests (herein "Other Impositions"). Unless otherwise provided by applicable law, Lender may require Funds for Other Impositions to be paid by Borrower in a lump sum or in periodic installments, at

Lender's option.

The Funds shall be held in an institution(s) the deposits or accounts of which are insured or guaranteed by a Federal or state agency (including Lender if Lender is such an institution). Lender shall apply the Funds to pay said rates, rents, taxes, assessments, insurance premiums and Other Impositions so long as Borrower is not in breach of any covenant or agreement of Borrower in this Instrument. Lender shall make no charge for so holding and complying said account or for verifying and compiling said assessments and bills, unless Lender pays Borrower interest, earnings or and applying the Funds, analyzing said account or for verifying and compiling said assessments and bills, unless Lender pays Borrower interest, earnings or profits on the Funds and applicable law permits Lender to make such a charge. Borrower and Lender may agree in writing at the time of execution of this Instrument that interest on the Funds shall be paid to Borrower, and unless such agreement is made or applicable law requires interest, earnings or profits to be paid. Lender shall not be required to pay Borrower any interest, earnings or profits on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds in Lender's portral format showing credits and debits to the Funds and the purpose for which each debit to the Funds. annual accounting of the Funds in Lender's normal format showing credits and debits to the Funds and the purpose for which each debit to the Funds was made. The Funds are pledged as additional security for the sums secured by this Instrument.

If the amount of the Funds held by Lender at the time of the annual accounting thereof shall exceed the amount deemed necessary by Lender to provide

for the payment of water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions, as they fall due, such excess shall be credited to Borrower on the next monthly installment or installments of Funds due. If at any time the amount of the Funds held by Lender shall be less than the amount deemed necessary by Lender to pay water and sewer rates, taxes, assessments, insurance premiums, rents and Other Impositions, as they fall due, Borrower shall pay to Lender any amount necessary to make up the deficiency within thirty days after notice from Lender to Borrower requesting payment

Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, Lender may apply, in any amount and in any order as Lender shall determine in Lender's sole discretion, any Funds held by Lender at the time of application (i) to pay rates, rents, taxes, assessments, insurance premiums and Other Impositions which are now or will hereafter become due, or (ii) as a credit against sums secured by this Instrument. Upon payment in full of all sums secured by this Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

- 3. APPLICATION OF PAYMENTS. Unless applicable law provides otherwise, all payments received by Lender from Borrower under the Note or this Instrument shall be applied by Lender in the following order of priority; (i) amounts payable to Lender by Borrower under paragraph 2 hereof; (ii) interest payable on the Note; (iii) principal of the Note; (iv) interest payable on advances made pursuant to paragraph 8 hereof; (v) principal of advances made pursuant to paragraph 8 hereof; (vi) interest payable on any Future Advance, provided that if more than one Future Advance is outstanding, Lender may apply payments received among the amounts of interest payable on the Future Advances in such order as Lender, in Lender's sole discretion, may determine; (vii) principal of any Future Advance, provided that if more than one Future Advance is outstanding, Lender may apply payments received among the principal balances of the Future Advances in such order as Lender, in Lender's sole discretion may determine; and (viii) any other sums secured
- apply payments received among the amounts of inferest payable of the Future Advance is outstanding, Lender may apply payments received among the principal balances of the Future Advances in such order as Lender, in Lender's sole discretion, may determine; and (viii) any other sums secured by this Instrument in such order as Lender, at Lender's option, may determine; provided, however, that Lender may, at Lender's option, apply any sums payable pursuant to paragraph 8 hereof prior to interest on and principal of the Note, but such application shall not otherwise affect the order of priority of application specified in this paragraph 3.

 4. CHARGES; LIENS. Borrower shall pay all water and sewer rates, rents, taxes, assessments, premiums, and Other Impositions attributable to the Property at Lender's option in the manner provided under paragraph 2 hereof or, if not paid in such manner, by Borrower making payment, when due, directly to the payee thereof, or in such other manner as Lender may designate in writing. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph 4, and in the event Borrower shall make payment directly, Borrower shall promptly furnish to Lender receipts evidencing such payments. Borrower shall promptly discharge any lien which has, or may have, priority over or equality with, the lien of this Instrument, and Borrower shall pay, when due, the claims of all persons supplying labor or materials to or in connection with the Property. Without Lender's prior written permission, Borrower shall not allow any lien inferior to this Instrument to be perfected against the Property.

 5. HAZARD INSURANCE. Borrower shall keep the improvements now existing or hereafter erected on the Property insured by carriers at all time satisfactory to Lender against loss by fire, hazards included within the term "extended coverage", rent loss and such other hazards, casualties, liabilities and contingencies as Lender (and, if this Instrument is on a leasehold, the ground lease) shall req

All insurance policies and renewals thereof shall be in a form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies, and Borrower shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. At least thirty days prior to the expiration date of a policy, Borrower shall deliver to Lender a renewal policy in form satisfactory to Lender. If this Instrument is on a leasehold, Borrower shall furnish Lender a duplicate of all policies, renewal notices, renewal policies and receipts of paid premiums if, by virtue of the ground lease, the originals thereof may not be supplied by Borrower to Lender.

In the event of loss Borrower shall give immediate written notice to the insurance corrier and to Lender.

In the event of loss, Borrower shall give immediate written notice to the insurance carrier and to Lender. Borrower hereby authorizes and empowers Lender as attorney-in-fact for Borrower to make proof of loss, to adjust and compromise any claim under insurance policies, to appear in and prosecute any action arising from such insurance policies, to collect and receive insurance proceeds, and to deduct therefrom Lender's expenses incurred in the collection of such proceeds; provided however, that nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder. Borrower further authorizes Lender, at Lender's option, (a) to hold the balance of such proceeds to be used to reimburse Borrower for the cost of reconstruction or repair of the Property or (b) to apply the balance of such proceeds to the payment of the sums secured by this Instrument, whether or not then due, in the order of application set forth in paragraph 3 hereof (subject, however, to the rights of the lessor under the ground lease if this Instrument is on a leasehold).

on a leasehold).

If the insurance proceeds are held by Lender to reimburse Borrower for the cost of restoration and repair of the Property, the Property shall be restored to the equivalent of its original condition or such other condition as Lender may approve in writing. Lender may, at Lender's option, condition disbursement of said proceeds on Lender's approval of such plans and specifications of an architect satisfactory to Lender, contractor's cost estimates, architect's certificates, waivers of liens, sworn statements of mechanics and materialmen and such other evidence of costs, percentage completion of construction, application of payments, and satisfaction of liens as Lender may reasonably require. If the insurance proceeds are applied to the payment of the sums secured by this Instrument, any such application of proceeds to principal shall not extend or postpone the due dates of the monthly installments referred to in paragraphs 1 and 2 hereof or change the amounts of such installments. If the Property is sold pursuant to paragraph 27 hereof or if Lender acquires title to the Property, Lender shall have all of the right, title and interest of Borrower in and to any insurance policies and unearned premiums thereon and in and to the proceeds resulting from any damage to the Property prior to such sale or acquisition.

6. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS. Borrower (a) shall not commit waste or permit impairment or 6. PRESERVATION AND MAINTENANCE OF PROPERTY; LEASEHOLDS. Borrower (a) shall not commit waste or permit impairment or deterioration of the Property, (b) shall not abandon the Property, (c) shall restore or repair promptly and in a good and workmanlike manner all or any part of the Property to the equivalent of its original condition, or such other condition as Lender may approve in writing, in the event of any damage, injury or loss thereto, whether or not insurance proceeds are available to cover in whole or in part the costs of such restoration or repair, (d) shall keep the Property, including improvements, fixtures, equipment, machinery and appliances on the Property when necessary to keep such items in good repair, (e) shall comply with all laws, ordinances, regulations and requirements of any governmental body applicable to the Property, (f) shall provide for professional management of the Property by a residential rental property manager satisfactory to Lender pursuant to a contract approved by Lender in writing, unless such requirement shall be waived by Lender in writing, (g) shall generally operate and maintain the Property in a manner to ensure maximum rentals, and (h) shall give notice in writing to Lender of and, unless otherwise directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Instrument or the rights or directed in writing by Lender, appear in and defend any action or proceeding purporting to affect the Property, the security of this Instrument or the rights or powers of Lender. Neither Borrower nor any tenant or other person shall remove, demolish or alter any improvement now existing or hereafter erected on the Property or any fixture, equipment, machinery or appliance in or on the Property except when incident to the replacement of fixtures, equipment, machinery and appliances with items of like kind.

If this Instrument is on a leasehold, Borrower (i) shall comply with the provisions of the ground lease, (ii) shall give immediate written notice to Lender If this instrument is on a leasehold, Borrower (i) shall comply with the provisions of the ground lease, (ii) shall give immediate written notice to Lender of any default by lessor under the ground lease or of any notice received by Borrower from such lessor of any default under the ground lease by Borrower, (iii) shall exercise any option to renew or extend the ground lease and give written confirmation thereof to Lender within thirty days after such option becomes exercisable, (iv) shall give immediate written notice to Lender of the commencement of any remedial proceedings under the ground lease by any party thereto and, if required by Lender, shall permit Lender as Borrower's attorney-in-fact to control and act for Borrower in any such remedial proceedings and (v) shall within thirty days after request by Lender obtain from the lessor under the ground lease and deliver to Lender the lessor's estoppel certificate required thereunder, if any. Borrower hereby expressly transfers and assigns to Lender the benefit of all covenants contained in the ground lease, whether or not such covenants run with the land, but Lender shall have no liability with respect to such covenants nor any other covenants contained in the ground lease.

be payable without set-off or deduction.

Property to any lien subordinate to this Instrument. If Borrower becomes aware that any tensor and associated to the scenarior of the instrument. If Borrower becomes aware that any tensor becomes the case of do, or is doing, any set or thing which may give rise to any right of set-off against rent, Borrower shall (i) take such ateps as shall be reasonably calculated to prevent the accrual, reimburse the tenant who shall have acquired such right to set-off or the amount of said set-offs, and (iii) within ten days after such accrual, reimburse the tenant who shall have acquired such right to set-off or the amount of said set-offs, and (iii) within ten days after such accrual, reimburse the tenant who shall have acquired such right to set-off or the amount of said set-offs, and (iii) within ten days after such accrual, reimburse the tenant who shall have acquired such right to set-off or the amount of said set-offs, and (iii) within ten days after such accrual, reimpurse the tenant who shall have be parable without set-off or deduction. IG. LEASES OF THE PROPERTY. As used in the paragraph 16, the word "lease" shall mean "sublease" if this Instrument is on a leasehold. Borrower all leases of the Property or any part thereof. Borrower will not lease say portion of the Property for non-residential use except with the prior written approval of Lender. Borrower, at Lender's request, shall furnish Lender with executed copies of all leases now existing or hereafter made of all or any part of the Property, and all leases now or hereafter entered into will be in form and substance subject to the approval of Lender. All leases of the Property shall specifically provide that such leases are subordinate to this Instrument; that the substance subject to the approval of Lender. All leases of the Property shall specifically provide that such leases are subordinate to this Instrument; that the attornment as Lender, such attornment to be effective upon Lender's acquisition of title to the Property; that the tenant agrees to execute such that Lender evidences of attornment to be effective upon Lender's acquisition of title to the Property; that the tenant agrees to execute such that Lender evidences of attornment to be effective upon Lender's acquisition of title to the Property; that the tenant agrees to execute such that Lender evidences of attornment to be effective upon Lender's acquisition of the Property providing for a term of three years or more, permit an asymptom, as the property opion, accept or reject such attornments. Borrower shall not, without Lender's written consent, modify, surrender or terminate, either or subjects or reject such attornments. Borrower shall not, without Lender's written consent, or thing which may part of the subordination of any lease of all or any part of the property providing for a term of three years or thing which may give property to any lien subordinate to this Instrument. If Borrower becomes aware that any tenant property or is doing, any act or thing which may give

acknowledged, setting forth the sums secured by this Instrument and any right of set-off, counterclaim or other defense which exists against such sums and the obligations of this Instrument.

L5. UNIPORM COMMERCIAL CODE SECURITY AGREEMENT. This Instrument is intended to be a security agreement pursuant to the Uniform Commercial Code for any of the items specified above as part of the Property which, under applicable law, may be subject to a security interest pursuant to the Uniform Commercial Code, and Borrower hereby grants Lender a seturity interest in said items. Borrower agrees that Lender may file this Instrument or of any other scennity agreement for any of the items specified above as part of the Uniform Commercial Code, and between the cords or other appropriate index, as a financing statement, as well as extensions, renewals addition, Borrower agrees to execute and deliver to Lender, upon Lender's request, any financing statements, as well as extensions, renewals and addition, Borrower shall pay all costs of this Instrument in such form as Lender may require to perfect a security interest with respect to said items. Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all restonably require. Without the prior written consent of Lender, Borrower shall pay all costs of filing such financing statements and any extensions, renewals, amendments and releases thereof, and shall pay all case of any eccond sarches for financing statements and any other security interest with respect to said items, additions, forced by this Instrument, Lender shall have the remedies for a greened by this instrument, Lender shall have the remedies for a greened by this instrument. Lender shall be such interested to the Property separately or together any proceed against the items of real property and any items of personal property specified above as part of the Property separately or together and provided in paragraph 27 of this instrument.

14. ESTOPPEL CERTIFICATE. Borrower shall within ten days of a written request from Lender furnish Lender with a written statement, duly acknowledged, setting forth the sums secured by this Instrument and any right of set-off, counterclaim or other defense which exists against such sums and acknowledged, setting forth the sums secured by this Instrument and any right of set-off, counterclaim or other defense which exists against such as the same secured by this Instrument and any right of set-off, counterclaim or other defense which exists against such as the secured by this Instrument and any right of set-off, counterclaim or other defense which exists against such as the secured by this Instrument and any right of set-off, counterclaim or other defense which as the secured by the secured b

As round and the sample law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment of any afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The acceptance by Lender of payment when a secured by this Instrument after the due date of such payment shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Instrument, or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Instrument, no other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Instrument, and shall Lender's receipt of any awards, proceeds or damages under paragraphs 5 and 11 hereof operate to cure or waive Borrower's default in payment of sums secured by this Instrument.

12. BORROWER AND LIEV NOT RELEASED. From time to time, Lender may, at Lender's option, without giving notice to or obtaining the consecutor with such condemnation or taking as Lender may turing united the standard of any coverant or assigns or of any junior lienholder or guarantors, without liability on Lender's part and notwithstanding Borrower's breach of any coverant or agreement of Borrower in this Instrument, extend the time for payment of said indebtedness, accept a renewal note or notes therefor, modify the tereof, reduce the payment of said indebtedness, release from the lien of this Instrument any part of the Property, consent to any map or plan of the Property, consent to the lien of this paragraph of any estenment, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization of the Noperty and agree in writing with Borrower to modify the rate of interest or period of amortization of the Noperty, consent to any person, corporation, partnership or other entiry for payment of the Noperty, consent to any map or plan of the Property, consent to the lien of any estenment, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization of the Noperty, consent to any map or plan of the Property, consent to the graning of any estenment, join in any extension or subordination agreement, and agree in writing with Borrower to modify the rate of interest or period of amortization of the Noperty, consent to any map or plan of the Noperty, consent to the Roberty, consent to the Noperty, consent of the Property, consent of the Noperty, consent of the Noperty of the Nopert

the lease expiration date, the rent payable and the rent paid.

II. CONDEMNATION, Borrower shall promptly notify Lender of any action or proceeding relating to any condemnation or other taking, whether direct or indirect, of the Property, or part thereof, and Borrower shall spread and borrower shall promptly notify Lender's option, as attorney-in-fact for Borrower, to commence, appear in and prosecute, in Lender's or Borrower's nathorizes Lender, at Lender's option, or other taking, whether taking of the Property, whether direct or indirect, or part prosecute, in Lender's or Borrower's nathorizes Lender as the connection with any condemnation or other taking, whether direct or indirect, or the Property, whether direct or indirect, or part the consequential, in connection with any condemnation or other taking, whether direct or indirect, or the Property, or part the regime of the settle or conveyances in lieu of condemnation, are hereby assigned to and shall be paid to Lender's expenses incurred in the collection to the rights of lesson under the ground lease.

Borrower authorizes Lender to apply such awards, payments, proceeds or damages, aller the deduction of Lender's option, to restoration or repair of the Property or to payment of the secured by this Institution, whether otherwise agree in writing, any fine amounts, at Lender's option, to restoration or repair of the Property or to payment of the secured by this Institution of proceeds to principal shall not extend or postpone the due date of the monthly installments referred to the payment in most the representation of proceeds or the payment of the amounts, at Lender's option, to restoration or repair of the Property or to payment of the secured to the payment of the secured to payment of the deduction of proceeds to principal shall not extend or postpone the date of the monthly installments referred to the payment of the amounts of the payment of the proceeds of the proceeds of the monthly proceeds to prove the payment of the proceeds of the proceeds of the lease expiration date, the rent payable and the rent paid.

become a lien on such fee estate. These required by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not allow changes in the become a lien on such fee estate. The serentiated by applicable law or unless Lender has otherwise agreed in writing, Borrower shall not initiate or acquiresce in a change in the conting classification of the Property was intended at the time this instrument was executed. Borrower shall not initiate to acquiresce in a change in the conting classification of the Property was intended at the fine this instrument.

7. USE OF WORNETTY, ONE SECURITY, I Borrower fails to perform the coverants and agreements contained in this Instrument, or in a strangement of submy specific submy specification of the Property or title thereto or the interest of Lender theretor, including, but not interest of Lender theretor, including, but not interest or proceedings is commenced which affects the Property or make or case and contained to make the property or title theretor or title theretor or the interest of Lender theretor, including, but not interest or proceedings is involvency, code enforcement, or arrangements or proceedings is but and the property or title theretory or t

Borrower shall not surrender the leasehold estate and interests herein conveyed nor terminate or cancel the ground lease. Borrower covenants and agrees interests, and Borrower shall not, without the express written consent of Lender, alter or amend said ground lease. Borrower coverants and agrees that there shall not be a merger of the ground lease, or of the leasehold estate created thereby, with the fee estate covered by the ground lease by the ground lease by an expension ownership, unless Lender shall consent in writing to such merger, if Borrower shall sequire such fee estate, or any part of either, coming into common ownership, unless Lender shall consent in writing to such merger, if Borrower shall sequire such fee estate, then this Instrument shall simultaneously and without further action be spread so as to become a lien on such fee estate.

Upon Lender's request, Borrower shall assign to Lender, by written instrument satisfactory to Lender, all leases now existing or hereafter made of all or any part of the Property and all security deposits made by tenants in connection with such leases of the Property. Upon assignment by Borrower to Lender of any leases of the Property, Lender shall have all of the rights and powers possessed by Borrower prior to such assignment and Lender shall have the right to modify, extend or terminate such existing leases and to execute new leases, in Lender's sole discretion.

- to modify, extend or terminate such existing leases and to execute new leases, in Lender's sole discretion.

 17. REMEDIES CUMULATIVE. Each remedy provided in this Instrument is distinct and cumulative to all other rights or remedies under this Instrument or afforded by law or equity, and may be exercised concurrently, independently, or successively, in any order whatsoever.

 18. ACCELERATION IN CASE OF BORROWER'S INSOLVENCY. If Borrower shall voluntarily file a petition under the Federal Bankruptcy Act, as such Act may from time to time be amended, or under any similar or successor Federal statute relating to bankruptcy, insolvency, arrangements or reorganizations, or under any state bankruptcy or insolvency act, or file an answer in an involuntary proceeding admitting insolvency or inability to pay debts, or if Borrower shall fail to obtain a vacation or stay of involuntary proceedings brought for the reorganization, dissolution or liquidation of Borrower, or if Borrower shall be adjudged a bankrupt, or if a trustee or receiver shall be appointed for Borrower or Borrower's property, or if the Property shall become subject to the jurisdiction of a Federal bankruptcy court or similar state court, or if Borrower or Borrower's property, or if the Property shall become subject to the jurisdiction of a Federal bankruptcy court or similar state court, or if Borrower shall make an assignment for the benefit of Borrower's creditors, or if there is an attachment, execution or other judicial seizure of any portion of Borrower's assets and such seizure is not discharged within ten days, then Lender may, at Lender's option, declare all of the sums secured by this Instrument to be immediately due and payable without prior notice to Borrower, and Lender may invoke any remedies permitted by paragraph 27 of this Instrument. Any attorney's fees and other expenses incurred by Lender in connection with Borrower's bankruptcy or any of the other aforesaid events shall be additional indebtedness of Borrower secured by this Instrumen in connection with Borrower's bankruptcy or any of the other aforesaid events shall be additional indebtedness of Borrower secured by this Instrument pursuant to paragraph 8 hereof.

 19. TRANSFERS OF THE PROPERTY OR BENEFICIAL INTERESTS IN BORROWER; ASSUMPTION. On sale or transfer of (i) all or
- any part of the Property, or any interest therein, or (ii) beneficial interests in Borrower (if Borrower is not a natural person or persons but is a corporation, partnership, trust or other legal entity), Lender may, at Lender's option, declare all of the sums secured by this Instrument to be immediately due and payable, and Lender may invoke any remedies permitted by paragraph 27 of this Instrument. This option shall not apply in

 - (a) transfers by devise or descent or by operation of law upon the death of a joint tenant or a partner;(b) sales or transfers when the transferee's creditworthiness and management ability are satisfactory to Lender and the transferee has executed, prior to the sale or transfer, a written assumption agreement containing such terms as Lender may require, including, if required by Lender, an increase in the rate of interest payable under the Note;

 - an increase in the rate of interest payable under the Note;

 (c) the grant of a leasehold interest in a part of the Property of three years or less (or such longer lease term as Lender may permit by prior written approval) not containing an option to purchase (except any interest in the ground lease, if this Instrument is on a leasehold);

 (d) sales or transfers of beneficial interests in Borrower provided that such sales or transfers, together with any prior sales or transfers of beneficial interests in Borrower, but excluding sales or transfers under subparagraphs (a) and (b) above, do not result in more than 49% of the beneficial interests in Borrower having been sold or transferred since commencement of amortization of the Note; and
 - sales or transfers of fixtures or any personal property pursuant to the first paragraph of paragraph 6 hereof.
- 20. NOTICE. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Instrument or in the Note shall be given by mailing such notice by certified mail addressed to Borrower at Borrower's address stated below or at such other address as Borrower may designate by notice to Lender as provided herein, and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Instrument or in the Note shall be deemed to have been given to Borrower or Lender when given in the manner designated herein
- herein. Any notice provided for in this Instrument or in the Note shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

 21. SUCCESSORS AND ASSIGNS BOUND; JOINT AND SEVERAL LIABILITY; AGENTS; CAPTIONS. The covenants and agreements herein contained shall bind, and the rights hereunder shall intree to, the respective successors and assigns of Lender and Borrower, subject to the provisions of paragraph 19 hereof. All covenants and agreements of Borrower shall be joint and several. In exercising any rights hereunder or taking any actions provided for herein. Lender may act through its employees, agents or independent contractors as authorized by Lender. The captions and headings of the paragraphs of this Instrument are for convenience only and are not to be used to interpret or define the provisions hereof.

 22. UNIFORM MULTIFAMILY INSTRUMENT; GOVERNING LAW; SEVERABILITY. This form of multifamily instrument combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property and related fixtures and personal property. This Instrument shall be governed by the law of the jurisdiction in which the Property is located. In the event that any provision of this Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Instrument on the Note are declared to be severable. In the event that any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower is interpreted so that any charge provided for in this Instrument or in the Note, whether considered separately or together with other charges evided in connection with this Instrument and the Note, violates such law, and Borrower is entitled to the benefit of such law, such charges is hereby reduced to the extent necessary to eliminate such violation. The amounts, if any, previously paid to Lender in excess of the amounts payabl
- 23. WAIVER OF STATUTE OF LIMITATIONS. Borrower hereby waives the right to assert any statute of limitations as a bar to the enforcement of the lien of this Instrument or to any action brought to enforce the Note or any other obligation secured by this Instrument.

 24. WAIVER OF MARSHALLING. Notwithstanding the existence of any other security interests in the Property held by Lender or by any other party, Lender shall have the right to determine the order in which any or all of the Property shall be subjected to the remedies provided herein. Lender shall have the right to determine the order in which any or all portions of the indebtedness secured hereby are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Borrower, any party who consents to this Instrument and any party who now or hereafter acquires a security interest in the the remedies provided herein. Borrower, any party who consents to this Instrument and any party who now or hereafter acquires a security interest in the Property and who has actual or constructive notice hereof hereby waives any and all right to require the marshalling of assets in connection with the exercise

- 26. ASSIGNMENT OF RENTS; APPOINTMENT OF RECEIVER; LENDER IN POSSESSION. As part of the consideration for the indebtedness evidenced by the Note, Borrower hereby absolutely and unconditionally assigns and transfers to Lender all the rents and revenues of the Property, including those now due, past due, or to become due by virtue of any lease or other agreement for the occupancy or use of all or any part of the Property, regardless of to whom the rents and revenues of the Property are payable. Borrower hereby authorizes Lender or Lender's agents to collect the aforesaid rents and revenues and hereby directs each tenant of the Property to pay such rents to Lender or Lender's agents; provided, however, that prior to written notice given by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower to apply the rents and revenues of the Property as trustee for the benefit of Lender and Borrower to apply the rents and revenues of collected to the agreement by the rents and revenues of the Property as trustee for the benefit of Lender and Borrower to apply the rents and revenues of collected to the agree and by the rents and revenues of the Property as trustee for the benefit of Lender and Borrower to apply the rents and revenues of the property as trustee for the benefit of Lender and Borrower to apply the rents and revenues of the property as trustee for the benefit of Lender and Borrower to apply the rents and revenues are collected to the agree and benefit of Lender and Borrower to apply the rents and revenues are collected to the agree and benefit of Lender and Borrower to apply the rents and revenues are collected to the agree and benefit of Lender and Borrower to apply the rents and revenues are collected to the agree and benefit of Lender and Borrower to apply the rents and revenues are collected to the agree and benefit of Lender and Borrower to apply the rents and revenues are collected to the agree and benefit of Lender and Borrower to apply the rents and agree and and revenues of the Property as trustee for the benefit of Lender and Borrower, to apply the rents and revenues so collected to the sums secured by this Instrument in the order provided in paragraph 3 hereof with the balance, so long as no such breach has occurred, to the account of Borrower, it being intended by Borrower and Lender that this assignment of rents constitutes an absolute assignment of a state of the additional assignment of the second provided in paragraph. He Instrument in the order provided in paragraph 3 hereof with the balance, so long as no such breach has occurred, to the account of Borrower, it being intended by Borrower and Lender that this assignment of rents constitutes an absolute assignment and not an assignment for additional security only. Upon delivery of written notice by Lender to Borrower of the breach by Borrower of any covenant or agreement of Borrower in this Instrument, and without the necessity of Lender entering upon and taking and maintaining full control of the Property in person, by agent or by a court-appointed receiver, Lender shall immediately be entitled to possession of all rents and revenues of the Property as specified in this paragraph 26 as the same become due and payable, including but not limited to rents then due and unpaid, and all such rents shall immediately upon delivery of such notice be held by Borrower as trustee for the benefit of Lender only; provided, however, that the written notice by Lender to Borrower of the breach by Borrower shall contain a statement that Lender exercises its rights to such rents. Borrower agrees that commencing upon delivery of such written notice of Borrower's breach by Lender to Borrower, each tenant of the Property shall make such rents payable to and pay such rents to Lender or Lender's agents on Lender's written demand to each tenant therefor, delivered to each tenant personally, by mail or by delivering such demand to each rental unit, without any liability on the part of said tenant to inquire further as to the existence of a default by Borrower.

BASEHOR, KS 66007

ТЕЕТ	12020 CHESTNUT
	Borrower's Address:
(Seal)	
(Seal)	HOOD NAA
(Seal)	Document is Henory NHOR
(Seal)	This Document is the property of
	IN WITNESS WHEREOF, Borrower has executed this Instrument or has caused the same representatives thereunto duly authorized.
THE STATES OF TH	incurred in releasing this Instrument. 29. WAIVER OF VALUATION AND APPRAISEMENT. Borrower hereby waives all right of valuation and appraisements with the control of valuation and appraisements.
ay invoke any other remedies g such remedies, including, but	Non-Uniform Covenants. Borrower and Lender further covenant and agree as follows: 27. ACCELERATION; REMEDIES. Upon Borrower's breach of any covenant or agreement of Borrower in this finatumed to covenants to pay when due any sums secured by this Instrument, Lender at Lender at Lender's option may declare all of the sums immediately due and payable without further demand and may foreclose this Instrument by judicial proceeding and more limited by applicable law or provided herein. Lender shall be entitled to collect all costs and expenses incurred in pursing the imited to, attorney's fees, costs of documentary evidence, abstracts and title reports. 28. RELEASE. Upon payment of all sums secured by this Instrument, Lender shall release this Instrument. Borrower shall are the payable without or all sums secured by this Instrument, Lender shall release this Instrument. Borrower shall be a supplied by applicable law or provided herein. Lender shall release this Instrument.
olication of rents as provided sable law or provided herein.	interest at such rate would be contrary to apprecant that the property by Lender or the receiver and any applicable law. Any entering upon and taking and maintaining of control of the Property by Lender or the receiver and any applicable herein shall not cure or waive any default hereunder or invalidate any other right or remedy of Lender under applicable herein shall not cure or waive any default hereunder or invalidate any other right or remedy of Lender under applicable herein shall not cure or waive any default hereunder or invalidate any other right or remedy of Lender under applicable. This assignment of rents of the Property shall terminate at such time as this lastument ceases to secure indebtedness held by
berty and collecting the renus, this Instrument pursuant to be payable upon notice from a the Note unless payment of	paragraph 26. If the rents of the Property are not sufficient to meet the costs, if any, of taking control of and managing the Property are not surfficient to meet the come indebtedness of Borrower to Lender secured by any funds expended by Lender for such purposes shall become indepted terms of payment, such amounts shall I paragraph 8 hereof. Unless Lender and Borrower agree in writing to other terms of dispursement at the rate stated it
Sorrower of any coveriant of perty and collecting the rents, ras lessor or landlord of the rds used in the operation and not be liable to Borrower, not be liable to Borrower,	Institution, bottomic the Property. All rents and revenues collected subsequent to delivery of written notice by Lender to Borrower of the breach by I rents and revenues collected subsequent to delivery of written notice by Lender to Borrower in this Institutionary shall be applied first to the costs, if any, of taking control of and managing the Property, but not limited to, attorney's fees, receiver's fees, premiums on receiver's bonds, costs of repairs to the Property, property, and the costs of discharging any obligation or liability of Borrower assessments and other charges on the Property, and the costs of discharging any obligation or liability of Borrower property and then to the sums secured by this Instrument. Lender or the receiver shall have access to the books and reconstruction of the Property and shall be liable to account only for those rents actually received. Lender shall maintenance of the Property and shall be liable to account only for those rents actually received. Lender shall anyone claiming under or through Borrower or anyone having an interest in the Property by reason of anything done or left anyone claiming under or through Borrower or anyone having an interest in the Property by reason of anything done or left
by a court-appointed received, order to perform all acts cellation or modification of instion of contracts providing its Instrument. In the event eement of Borrower in this rement of Borrower in this	Informs prior to the Property as Lender may from time to time request. Upon Borrower's breach of any covenant or agreement of Borrower in this Instrument, Lender may in person, by agent or the property as Lender's security, enter upon and take and maintain full control of the Property in necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution, can necessary and appropriate for the operation and maintenance thereof including, but not limited to, the execution or term leases, the collection of all rents and revenues of the Property, the making of repairs to the Property and the execution or term leases, the collection of all rents and revenues of the Property, all on such terms as are deemed best to protect the eccurity of the management or maintenance of the Property, all on such terms as are deemed best to protect the eccurity of the management or maintenance of the Property, all on such terms as are deemed best to protect the eccurity of the management or maintenance of the Property, the major and the execution of a property and the property of the management or maintenance of the property, all on such terms as are deemed best to protect the eccurity of the management or maintenance of the Property, the major and the execution of an interpretation of all the property and the property and the execution of an interpretation of all the property and the property and the property and the execution of the property and the pro
ore than two months prior to the Property more than two	Borrower hereby covenants that Borrower has not executed any prior assignment of said rents, that Borrower has not executed, any instrument which would prevent Lender from exercising its rights under the time of executed, and will not execute, any instrument which would prevent Lender from exercising its rights under the time of executed, and will not executed any of the Property for make time of execution of this Instrument there has been no anticipation or prepayment of any of the Property for make time of execution of this Instrument that Borrower will not hereafter collect or accept payment of any rents of me dates of such rents. Borrower further covenants that Borrower will execute and deliver to Lender such months prior to the due dates of such rents.

CORPORATE ACKNOWLEDGMENT

STATE OF INDIANA,		County ss:			
On this for said County, personal	day of ly appeared	(Name of Corporation)	, before me, the undersigned, a Notary Public in and by		
and and acknowledged the ex	ecution of the forego	ing instrument.	, its Pre	sident and Secretary respectively,	
WITNESS my hand a	nd official seal.				
My Commission expires:					
			Notai	ry Public	
	INI	DIVIDUAL ACKNO	WI EDCMENT		
KANSAS STATE OF IXMINANIA,	Leavenworth	County ss:	WLEDGMENT		
On this 10th for said County, personal WITNESS my hand My Commission expires STATE OF INDIANA, On this for said County, personal and acknowledged the WITNESS my hand My Commission expires	and official seal. INDIVIDUAL LI day of and official seal. capacitation of the foregrand official seal.	T OFFI cument is the ake County MITED PARTNER County ss:	cial. ci	GAYLE A. RUNNELS Notary Public - State of Kansas My Appt. Expires 4/28/07 MENT dersigned, a Notary Public in and partnership, by , general partner(s),	
	CORPORATE LI	MITED PARTNER	SHIP ACKNOWLEDG	MENT	
STATE OF INDIANA,		County ss:			
On this for said County, persona	day of Ily appeared f Corporation)	(Name of Limited Partne	, a limited p	dersigned, a Notary Public in and partnership, by	
and acknowledged the ex	and	oing instrument	its Pre	esident and Secretary respectively,	
WITNESS my hand a		onig modument.			
My Commission expires					
			Nota	ry Public	
This instrument was prepa	red by	C	ATHERINE L. GONZALEZ		

GREATLAND ■ To Order Call: 1-800-530-9393 □Fax 616-791-1131