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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

2009 080658

2009 DEC -4 AM 9:36

MICHAEL A. BROWN
RECORDER

REAL ESTATE MORTGAGE

THIS MORTGAGE is made on this 11th day of October, 2009, by the LAKE REGION CONFERENCE ASSOCIATION OF SEVENTH-DAY ADVENTISTS, an Illinois not-for-profit corporation, whose address is 8517 South State Street, Chicago, Illinois 60619 (the "Mortgagor"), to the LAKE UNION CONFERENCE REVOLVING FUND TRUST, whose address is 8903 US 31 Highway, PO Box 287, Berrien Springs, Michigan 49103 (the "Mortgagee").

The Mortgagor is justly indebted to the Mortgagee upon the installment Note of even date herewith, in the principal sum of Eighty-Five Thousand Four Hundred Dollars (\$85,400), receipt of which is acknowledged, payable to the order of and delivered to the Mortgagee, in and by which Note the Mortgagor promises to pay the said principal sum and interest, and all other indebtedness and obligations of Mortgagor presently or subsequently owing to Mortgagee, including but not limited to all future advances under this Mortgage or on the Note and under all notes, loan agreements, security agreements, pledge agreements, assignments, mortgages, leases, guarantees, and any other agreements, instruments, or documents previously or subsequently signed by Mortgagor, whether the indebtedness or obligations are direct or indirect, absolute or contingent, primary or secondary, or related to the premises or the transaction of which this Mortgage is a part, and any and all partial or full extensions or renewals of this indebtedness or other indebtedness and obligations relating to the real estate described below (all of the foregoing are collectively referred to as the "indebtedness"), at the rate and in installments as provided in said Note, with a final payment of the balance due on the 11th day of October, 2019, and all of said principal and interest are made payable to such place as the holders of the Note may, from time to time, in writing appoint, and in absence of such appointment, then at the office of the Mortgagee at 8903 US 31 Highway, PO Box 287, Berrien Springs, Michigan 49103;

As further consideration for the execution of this Mortgage, Mortgagee represents and covenants that the interest rate currently in effect on the date of signing this Mortgage shall not increase for a period of one hundred eighty (180) days from the date this Mortgage is signed.

NOW THEREFORE, the Mortgagor, to secure the payment of the said principal sum of money and said interest in accordance with the terms, provisions and limitations of this mortgage, and the performance of the covenants and agreements herein contained by the Mortgagor to be performed, and also in the consideration described above in hand paid, the receipt whereof is hereby acknowledged, does by these presents CONVEY AND WARRANT unto the Mortgagee, and the Mortgagee's successors and assigns, the following described real estate and all of its estate, right, title

3200
OK# 017596
CP

and interest therein, situated, lying and being in the City of East Chicago, Lake County, and State of Indiana, described as follows and hereinafter referred to as the "premises":

Lots 8, 9, 10, and 11 in Block 16, as marked and laid down on the recorded plat of the Subdivision of the Southwest Quarter of Section 28, Township 37 North, Range 9 West of the Second Principal Meridian, in the City of East Chicago, Lake County, and State of Indiana, as the same appears of record in Plat Book 2, Page 25, in the Recorder's Office of Lake County, Indiana.

Property Identification Number: 24-30-0012-0006

Address of Real Estate: 4822 Kennedy Avenue, East Chicago, Indiana 46312.

The name of the owner of record is LAKE REGION CONFERENCE ASSOCIATION OF SEVENTH-DAY ADVENTISTS.

TOGETHER with all improvements, tenements, easements, fixtures, and appurtenances thereto belonging, and all rents, issues and profits thereof for so long and during all such times as Mortgagor may be entitled thereto (which are pledged primarily and on a parity with said real estate and not secondarily) and all apparatus, equipment or articles now or hereafter therein or thereon used to supply heat, gas, air conditioning, water, light, power, refrigeration (whether single units or centrally controlled), and ventilation, including (without restricting the foregoing), screens, windows shades, storm door and windows, floor coverings, awnings, stoves and water heaters. All of the foregoing are declared to be a part of said real estate whether physically attached thereto or not, and it is agreed that all similar apparatus, equipment or articles hereafter placed in the premises by Mortgagor or its successors or assigns shall be considered as constituting part of the real estate;

TOGETHER with all awards made to the present and all subsequent owners of the mortgaged Premises by any governmental or other lawful authority for taking by eminent domain the whole or any part of the mortgaged Premises or improvements thereon, the temporary use thereof or any easement thereon or thereunder, including any awards for any changes of grade of streets, which said awards are hereby assigned to Mortgagee, who is hereby authorized to collect and receive the proceeds of any such awards from said authorities and to give proper receipts and acquittance therefor;

TOGETHER with all right, title, and interest of Mortgagor, now owned or hereafter acquired, in and to any all strips and gores of land adjacent to and used in connection with the mortgaged Premises and all right, title and interest of Mortgagor, now owned or hereafter acquired, in, to, and under the street, sidewalks, and alleys adjoining the mortgaged Premises;

TO HAVE AND TO HOLD the same unto Mortgagee, together with all estate, titles, claims, and demands whatsoever of Mortgagor in and to said mortgaged Premises or any part thereof; and

Mortgagor does hereby covenant, warrant, and agree that it is lawfully seized and possessed of said real estate in fee simple absolute and has good and lawful right and authority to sell, convey, and mortgage same; that said real estate is free from all liens, claims, charges, and encumbrances whatsoever, except for mortgages or similar encumbrances with a commercial lender or as set forth herein as a rider attached hereto, if applicable; and that Mortgagor will warrant and defend the title to said real property against the lawful claims and demands of all persons whomsoever.

IT IS AGREED by the parties hereto that this instrument shall be null and void on the condition that Mortgagor shall keep and perform all covenants, conditions, and terms of this Mortgage and pay or cause to be paid to Mortgagee the above-described indebtedness with interest thereon in full according to the terms and conditions of the Note and shall keep and perform all covenants, conditions, and terms contained in the Note.

Mortgagor further covenants, warrants, and agrees with Mortgagee as follows:

1. Mortgagor shall (a) promptly repair, restore, or rebuild any buildings or improvements, now or hereafter, on the mortgaged Premises which may become damaged or be destroyed; (b) keep said mortgaged Premises in good condition and repair, without waste, and free from mechanic's or other liens or claims for lien not expressly subordinated to the lien thereof; (c) pay when due any indebtedness which may be secured by a lien or charge on the mortgaged Premises superior to the lien hereof, and upon request exhibit satisfactory evidence of the discharge of such prior lien to the Mortgagee; (d) complete within a reasonable time, any building or buildings now or at any time in process of erection upon said mortgaged Premises; (e) comply with all requirements of law or municipal ordinances with respect to the mortgaged Premises and the use thereof; and (f) make no material alternations in said mortgaged Premises except as required by law or municipal ordinance.

2. Unless the property is declared exempt, Mortgagor shall pay before any penalty attaches all general taxes, and shall pay special taxes, special assessments, water charges, sewer service charges, and other charges against the mortgaged Premises when due, and shall, upon written request, furnish to the Mortgagee duplicate receipts therefor. To prevent default hereunder, the Mortgagor shall pay in full under protest, in the manner provided by statute, any tax or assessment which the Mortgagor may desire to contest.

3. In the event of the enactment after this date of any law of Indiana deducting from the value of land for the purpose of taxation any lien thereon, or imposing upon the Mortgagee the payment of the whole or any part of the taxes or assessments or charges or liens herein required to be paid by Mortgagors, or changing in any way the laws relating to the taxation of mortgages or debts secured by mortgages or the mortgagee's interest in the property, or the manner of collection of taxes, so as to affect this mortgage or the debt secured hereby or the holder thereof, then and in any such event, the Mortgagors, upon demand by the Mortgagee, shall pay such taxes or assessments, or reimburse the Mortgagee therefor; provided, however, that if in the opinion of counsel for the Mortgagee (a) it might be unlawful to require Mortgagors to make such payment, or (b) the making

of such payment might result in the imposition of interest beyond the maximum amount permitted by law, then and in such event, the Mortgagee may elect, by notice in writing given to the Mortgagors, to declare all of the indebtedness secured hereby to be and become due and payable sixty (60) days from the giving of such notice.

4. If, by the laws of the United States of America or of any state having jurisdiction in the mortgaged Premises, any tax is due or becomes due in respect of the issuance of the Note hereby secured, Mortgagor covenants and agrees to pay such tax in the manner required by any such law. Mortgagor further covenants to hold harmless and agrees to indemnify Mortgagee, and Mortgagee's successors or assigns, against any liability incurred by reason of the imposition of any tax on the issuance of the Note secured hereby.

5. At such time as Mortgagor is not in default either under the terms of the Note secured hereby or under the terms of this mortgage, Mortgagor shall have such privilege of making prepayments on the principal of said Note (in addition to the required payments) as may be provided in said Note.

6. Mortgagor shall keep all buildings and improvements now or hereafter situated on said mortgaged Premises insured against loss or damage by fire, lightning and windstorm under policies providing for payment by the insurance companies of moneys sufficient either to pay the cost of replacing or repairing the same or to pay in full the indebtedness secured hereby, all in companies satisfactory to the Mortgagee, under insurance policies payable, in case of loss or damage, to Mortgagee, such rights to be evidenced by the standard mortgage clause to be attached to each policy, and shall deliver all policies, including additional and renewal policies, to the Mortgagee, and in case of insurance about to expire, shall deliver renewal policies not less than ten days prior to the respective dates of expiration.

7. Mortgagor hereby assigns, transfers, and sets over to Mortgagee the entire proceeds of any award or claim for damage for any of the mortgaged property taken or damaged under the power of eminent domain or by condemnation. Mortgagee may elect to apply the proceeds of the award upon or in reduction of the indebtedness secured hereby, whether or not then due and payable, or to require Mortgagor to restore or rebuild, in which event the proceeds shall be held by Mortgagee and used to reimburse Mortgagor for the cost of restoring and rebuilding all buildings and improvements on the Premises in accordance with plans and specifications to be submitted to and approved by Mortgagee. If Mortgagor or any lessee is obligated to restore and replace the damaged or destroyed buildings or improvements under the terms of any lease or leases which are or may be prior to the lien of this Mortgage, and if such taking does not result in cancellation or termination of such lease, the award shall be used to reimburse Mortgagor or the lease (whichever is obligated under the terms of the lease to accomplish the rebuilding and restoration) for the cost of rebuilding and restoring the buildings and improvements on said mortgaged Premises, provided Mortgagor is not then in default under this Mortgage. If the amount of such award is insufficient to cover the cost of rebuilding or restoration, Mortgagor shall pay such cost in excess of the award before being entitled to reimbursement out of the award. Any surplus which may remain out of said award after

payment of such cost of rebuilding and restoration shall, at the option of Mortgagee, be applied on account of the indebtedness secured hereby or be paid to any other party entitled thereto.

8. In case of default therein, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagor in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem from any tax sale or forfeiture affecting said mortgaged Premises or contest any tax or assessment. All moneys paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other moneys advanced by Mortgagee to protect the mortgaged Premises and the lien hereof, shall be so much additional indebtedness secured hereby and shall become immediately due and payable without notice and with interest thereon at the highest rate now permitted by Indiana law. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to the Mortgagee on account of any default hereunder on the part of the Mortgagor.

9. Mortgagee making any payment hereby authorized relating to taxes or assessments, may do so according to any bill, statement or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement or estimate or into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim thereof.

10. Mortgagor shall pay each item of indebtedness herein mentioned, both principal and interest, when due according to the terms hereof. At the option of Mortgagee and without notice to Mortgagor, all unpaid indebtedness secured by this Mortgage shall, notwithstanding anything in the Note or in this Mortgage to the contrary, become due and payable (a) immediately in the case of default in making payment of any installment of principal or interest on the Note, or (b) when default shall occur and continue for ten (10) days in the performance of any other agreement of the Mortgagor herein contained.

11. In any case in which, under the provisions of this Mortgage, Mortgagee has a right to declare the principal sum secured hereby to be immediately due and payable, either before or after the institution of legal proceedings to foreclose the lien hereof or before or after sale thereunder, or in any case where Mortgagee has a right to commence proceedings for the sale of the Premises independent of any foreclosure proceedings; then Mortgagor shall forthwith upon demand of Mortgagee surrender to Mortgagee the possession of the mortgaged Premises, and Mortgagee shall be entitled to take actual possession of the mortgaged Premises or any part thereof personally or by its agents or attorneys, as for condition broken; and Mortgagee in its discretion may, with or without force and with or without process of law, enter upon and take and maintain possession of all or any part of the mortgaged Premises together with all documents, books, records, papers, and accounts of Mortgagor or the then owner of the mortgaged Premises relating thereto; and may exclude Mortgagor, its agents or assigns wholly therefrom; and may as attorney-in-fact or agent of Mortgagor or in its own name as Mortgagee and under the powers herein granted both, operate, manage or control the mortgaged Premises either personally or by its agents, and with full power to use such

measures, legal or equitable, as in its discretion or in the discretion of its successors or assigns may be deemed proper or necessary to enforce the payment or security of the income, rents, issues, and profits of the mortgaged Premises, including actions for the recovery of rent, actions in forcible detainer, and actions in distress for rents, hereby granting full power and authority to exercise each and every of the rights and privileges herein granted at any and all times hereafter, without notice to Mortgagor, and with full power to cancel or terminate any lease or sublease for any cause or on any ground which would entitle Mortgagor to cancel the same, to elect to disaffirm any lease or sublease made subsequent to this Mortgage or subordinated to the lien thereof (unless this Mortgage has specifically been made subordinate to such lease or sublease) or unless Mortgagee has agreed in writing not to disturb said lease; to make all necessary or proper repairs, decorating, renewals, replacements, alterations, additions, betterments, and improvements to the mortgaged Premises as may seem judicious; to insure and reinsure the same and all risks incidental to Mortgagee's possession, operation, and management thereof, and to receive all of such income, rents, issues and profits.

Mortgagee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty, or liability under any lease; and Mortgagor shall and does hereby agree to indemnify and to hold Mortgagee harmless of and from all liability, loss, or damage which it might incur under said leases or under or by reason of the assignment therefor, and of and from any and all claims or demands whatsoever which may be asserted against it by reason of any alleged obligations or undertakings on its part to perform or discharge any of the terms, covenants, or agreements contained in said lease. Should Mortgagee incur any such liability, loss, or damage under any of said leases, or under or by reason of the assignment thereof, or in the defense of any claims or demands, the amount thereof, including costs, expenses, and reasonable attorney's fees, shall be secured hereby; and Mortgagor shall reimburse Mortgagee therefor immediately upon demand.

12. When the indebtedness hereby secured shall become due whether by acceleration or otherwise, Mortgagee shall have the right to foreclose the lien hereof. In any suit to foreclose the lien hereof, there shall be allowed and included as additional indebtedness in the decree for sale all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for attorney's fees, appraiser's fees, outlays for documentary and expert evidence, stenographer's charges, publication costs and costs (which may be estimated as to items to be expended after entry of the decree) of procuring all such abstracts of title, title searches, and examination, title insurance policies, and similar data and assurances with respect to title as Mortgagee may deem to be reasonably necessary either to prosecute such suit or to evidence to bidders at any sale which may be had pursuant to such decree the true condition of the title to or the value of the premises. All expenditures and expenses of the nature in this paragraph mentioned shall become so much additional indebtedness secured hereby and immediately due and payable, with interest thereon at the highest rate now permitted by Indiana law, when paid or incurred by Mortgagee in connection with (a) any proceeding, including probate and bankruptcy proceedings, to which the Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; (b) preparations for the commencement of any suit for the foreclosure

hereof after accrual of such right to foreclose whether or not actually commenced; (c) preparation for the defense of any actual or threatened suit or proceeding which might affect the premises or the security thereof.

13. The proceeds of any foreclosure sale of the mortgaged Premises shall be distributed and applied in the following order of priority. First, on account of all costs and expenses incident to the foreclosure proceedings, including all such times as are mentioned in the preceding paragraph hereof; second, all other items which under the terms hereof constitute secured indebtedness additional to that evidenced by the Note, with interest thereon as herein provided; third, all principal and interest remaining unpaid on the Note; fourth, any overplus to Mortgagor, its successors or assigns, as their rights may appear.

14. Upon or at any time after the filing of a complaint to foreclose this Mortgage the court in which such complaint is filed may appoint a receiver of said mortgaged Premises. Such appointment may be made either before or after sale, without notice, without regard to the solvency or insolvency of Mortgagor at the time of application for such receiver and without regard to the then value of the mortgaged Premises and the Mortgagee may be appointed as such receiver. Such receiver shall have power to collect the rents, issues and profits of said premises during the pendency of such foreclosure suit and, in case of a sale and a deficiency, during the full statutory period of redemption, whether there be redemption or not, as well as during any further times when Mortgagor, except for the intervention of such receiver, would be entitled to collect such rents, issues and profits, and all other powers which may be necessary or are usual in such cases for the protection, possession, control, management and operation of the mortgaged Premises during the whole of said period. The court from time to time may authorize the receiver to apply the net income in his/her hands in payment in whole or in part of (a) the indebtedness secured hereby, or by any decree foreclosing this Mortgage, or any tax, special assessment or other lien which may be or become superior to the lien hereof or of such decree, provided such application is made prior to foreclosure sale; (b) the deficiency in case of a sale and deficiency.

15. Hazardous Substances.

- a. The terms "hazardous waste," "hazardous substance," "disposal," "release," and "threatened release," as used in this Mortgage, shall have the same meanings as set forth in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 49 U.S.C. Section 6901, et seq., or other applicable state or Federal laws, rules, or regulations adopted pursuant to any of the foregoing. Mortgagor represents and warrants to Mortgagee that: (1) during the period of Mortgagor's ownership of the mortgaged Premises, there has been no use, generation, manufacture, storage, treatment, disposal, release

or threatened release of any hazardous waste or substance by any person on, under, or about the mortgaged Premises; (2) Mortgagor has no knowledge of, or reason to believe that there has been, except as previously disclosed to and acknowledged by Mortgagee in writing, (i) any use, generation, manufacture, storage, treatment, disposal, release, or threatened release of any hazardous waste or substance by any prior owners or occupants of the mortgaged Premises, or (ii) any actual or threatened litigation of claims of any kind by any person relating to such matters; and (3) except as previously disclosed to and acknowledged by Mortgagee in writing, (i) neither Mortgagor nor any tenant, contractor, agent or other authorized user of the mortgaged Premises shall use, generate, manufacture, store, treat, dispose of, or release any hazardous waste or substance on, under, or about the mortgaged Premises, and (ii) any such activity shall be conducted in compliance with all applicable federal, state, and local laws, regulations and ordinances, including without limitation those laws, regulations, and ordinances described above. Mortgagor authorizes Mortgagee and its agents to enter upon the mortgaged Premises to make such inspections and tests as Mortgagee may deem appropriate to determine compliance of the Premises with this Paragraph of this Mortgage. Any inspections or tests made by Mortgagor shall be for Mortgagor's purposes only and shall not be construed to create any responsibility or liability on the part of Mortgagee to Mortgagor or to any other person. The representations and warranties contained herein are based on Mortgagor's due diligence in investigating the mortgaged Premises for hazardous waste. Mortgagor hereby (1) releases and waives any future claims against Mortgagee for indemnity or contribution in the event Mortgagor becomes liable for cleanup or other costs under any such laws, and (2) agrees to indemnify and hold harmless Mortgagee against any and all claims, losses, liabilities, damages, penalties, and expenses which Mortgagee may directly or indirectly sustain or suffer resulting from a breach of this Paragraph of this Mortgage or as a consequence of any use, generation, manufacture, storage, disposal, release occurring prior to Mortgagor's ownership or interest in the Premises, whether or not the same was or should have been known to Mortgagor. The provisions of this Paragraph of this Mortgage, including the obligation to indemnify, shall survive the payment of the Indebtedness and the satisfaction and reconveyance of the lien of this Mortgage and shall not be affected by Mortgagee's acquisition of any interest in the mortgaged Premises, whether by foreclosure or otherwise.

- b. Mortgagor covenants and agrees with Mortgagee that Mortgagor shall promptly notify Mortgagee as soon as Mortgagor knows or suspects that a toxic or hazardous substance has been released on the mortgaged Premises.

16. No action for the enforcement of the lien or of any provision hereof shall be subject to any defense which would not be good and available to the party interposing same in an action at law upon the Note hereby secured.

17. Mortgagee shall have the right to inspect the mortgaged Premises at all reasonable times and access thereof shall be permitted for that purpose.

18. Unless the property is declared exempt, Mortgagor shall periodically deposit with the Mortgagee such sums as the Mortgagee may reasonably require for payment of taxes and assessments on the mortgaged Premises. No such deposit shall bear any interest.

19. If the payment of said indebtedness, or any part thereof be extended or varied, or if any part of the security be released, all parties now or at any time hereafter liable therefor, or interested in said mortgaged Premises, shall be held to assent to such extension, variation or release, and their liability and the lien and all provisions hereof shall continue in full force, the right of recourse against all such parties being expressly reserved by Mortgagee, notwithstanding such extension, variation or release.

20. Upon payment in full of the indebtedness secured hereby and the performance by Mortgagor of all of the obligations imposed on Mortgagor herein and in Note, these presents shall be null and void, and Mortgagee shall release this Mortgage and the lien hereof by proper instrument executed in recordable form.

21. This Mortgage and all provisions hereof, shall extend to and be binding upon Mortgagor and all successors and assigns claiming under or through Mortgagor, and the word "Mortgagor" when used herein shall include all such persons and all persons liable for the payment of the indebtedness or any part thereof, whether or not such persons shall have executed the Note or this Mortgage. The word "Mortgagee" when used herein shall include the successors and assigns of the Mortgagee named herein and the holder of holders from time to time, of the Note secured hereby.

22. Time is of the essence of this contract, and no waiver of any obligation or option hereunder or of the Note secured hereby shall at any time thereafter be held to be a waiver of the terms hereof or of the Note secured hereby.

23. This Mortgage shall be governed by, and construed in accordance with, the laws of the State of Indiana.

LAKE REGION CONFERENCE ASSOCIATION
OF SEVENTH-DAY ADVENTISTS

Jerome L. Davis
Jerome Davis, President

Donald L. Bedney II
Donald L. Bedney II, Secretary

State of Illinois)
) ss
County of Cook)

The foregoing instrument was acknowledged before me this 11th day of October, 2009, by Jerome Davis, President, and Donald L. Bedney II, Secretary, respectively, of the LAKE REGION CONFERENCE ASSOCIATION OF SEVENTH-DAY ADVENTISTS, an Illinois not-for-profit corporation, on behalf of the corporation.

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

Eloise D. Wagner, Notary Public
County of Cook, State of Illinois
My Commission Expires: July 11, 2012

OFFICIAL SEAL
ELOISE D. WAGNER
Notary Public - State of Illinois
My Commission Expires Jul 11, 2012

RECORDER'S OFFICE
SEAL
INDIANA

Drafted by and when recorded return to:

Vernon L. Alger
Attorney at Law
PO Box 52
Berrien Springs, MI 49103



(LREastChicagoBethelSDA)