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MICHELLE TRAMMAN
RECORDER

Mortgage

Rearden Industrial Real Estate, LLC ("Borrower"), an Ohio limited liability company with a mailing address of 94 H Street Ampoint, Perrysburg, Ohio 4355, to secure the repayment of a certain Promissory Note ("Note") of even date herewith in the original principal amount of Two Hundred Thirty Eight Thousand Five Hundred and 00/100 Dollars (\$238,500 00) owed by Borrower to **The Kiemle-Hankins Company**, an Ohio corporation with a mailing address of 94 H Street, Ampoint, Perrysburg, Ohio 43551 ("Lender"), plus interest as set forth in the Note, from the date hereof, with all such sums due and owing under the Note payable on or before September 5, 2037 and for other good and valuable consideration, hereby grants, bargains, conveys, mortgages and warrants to Lender with mortgage covenants the real property legally described on Exhibit A attached hereto and made a part hereof together with all rights, easements, appurtenances, mineral rights, oil and gas rights, and all existing and future improvements, structures, fixtures and replacements that may now, or at any time in the future, be part of the real estate described on Exhibit A (all referred to as the "Property")

Subject to zoning resolutions and ordinances, easements, and restrictions of record, and taxes and installments of assessments due and payable after delivery hereof

Borrower acknowledges and agrees that Lender would not have loaned the amount secured by this Mortgage without Borrower agreeing to grant this Mortgage and therefore, Borrower and Lender now covenant and agree as follows

- 1 **Payment of Principal and Interest; Prepayment** Borrower agrees to promptly pay when due, the principal of and interest on the debt pursuant to the terms of the Note
- 2 **Application of Payments** Unless applicable law provides otherwise, all payments received by Lender shall be applied in accordance with the terms of the Note
- 3 **Charges; Liens** Borrower shall pay all principal and interest payments, taxes, assessments, fines, encumbrances, utilities, impositions and other charges attributable to the Property when due. Borrower shall make all payments on time directly to each person owed such payment. Furthermore, Lender, at his option, may demand that Borrower provide Lender with copies of all notices that such amounts are due and copies of all receipts of payments made

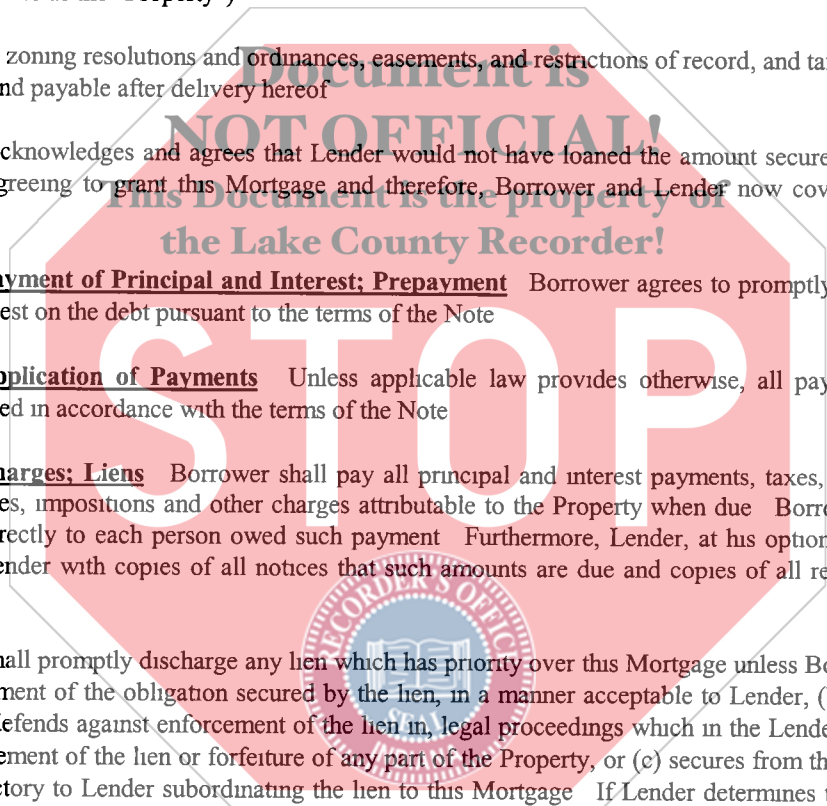
Borrower shall promptly discharge any lien which has priority over this Mortgage unless Borrower (a) agrees in writing to the payment of the obligation secured by the lien, in a manner acceptable to Lender, (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien or forfeiture of any part of the Property, or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Mortgage. If Lender determines that any part of the Property is subject to a lien that may attain priority over this Mortgage, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above, within 7 days of the receipt of notice. Borrower also agrees to assign to Lender, upon Lender's request, any rights, claims or defenses which Borrower may have against any parties who supply labor or materials to improve or maintain the Property. Lender shall be authorized to do all things allowed to be done by a mortgagee under Michigan law

**FIDELITY NATIONAL
TITLE COMPANY**

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4 **Insurance** Borrower shall keep the Property insured for liability and any improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage" and any other hazards for which Lender requires insurance, in amounts reasonably acceptable to the Lender. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. Any such insurance policy shall contain a standard mortgage clause in favor of Lender.

At Lender's request, Borrower shall promptly give to Lender copies of all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss, if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds received due to damage to the Property shall be applied to restoration or repair of the Property damaged. If an Event of Default (defined below) has occurred and has not been cured within any applicable notice and grace period, if Borrower abandons the Property, or if Borrower does not answer within 28 days after receipt of a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds and Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments or change the amount of the payments.

5 **Preservation and Maintenance of Property** Borrower shall keep the Property in good repair and shall not allow the Property to deteriorate or commit waste. Borrower shall give Lender prompt notice of any loss or damage to the Property as well as to any demand, claim, proceeding or action concerning the use, ownership and occupancy of the Property. Borrower shall not enter into any agreement to create any new private or public restriction (including, but not limited to seeking or consenting to any zoning change, other than a change to a commercial use) on the use of the Property without the written prior consent of Lender.

6 **Environmental Contamination** Borrower warrants that it will not cause or permit any Hazardous Substance to be used, stored, generated or disposed of on or in the Property in amounts that would require notification, action or remediation under any local, state or federal environmental law or regulation or would violate any such environmental law or regulation except in the ordinary course of its business. Borrower shall fully comply with all local, state or federal laws or regulations regarding the environment, health, safety or hygiene.

Hazardous Substance shall mean any substance that is toxic, ignitable, reactive, or corrosive and that is regulated by any local, state or federal government agency or entity, any and all material or substance that is defined as "hazardous waste," "extremely hazardous waste," or a "hazardous substance" under any local, state or federal law or regulation, asbestos, PCBs, and all petroleum products.

7 **Inspection** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Borrower notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

8 **Payment of Real Estate Taxes and Assessments** Borrower agrees to pay all real estate taxes and assessments assessed against the Property in a timely manner and to provide evidence of such payments to Lender immediately upon demand by Lender.

9 **Protection of Lender's Rights in the Property** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced that materially impairs Lender's rights in the Property, including but not limited to, bankruptcy, condemnation proceedings or proceedings to enforce laws or regulations, then Lender may, at Lender's option, do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include paying any sums secured by a lien which has priority over this Mortgage, appearing in court, paying reasonable attorneys' fees and entering on the Property to make

repairs

Any amounts disbursed by Lender under this section shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

10 **Condemnation** Borrower shall cause the proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, to be assigned to and shall be paid to, Lender, to the extent of all obligations owed to Lender by Borrower.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, whether or not then due, with any excess paid to Borrower. In the event of a partial taking of the Property, unless Borrower and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Borrower.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemner offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within twenty-eight (28) days after the date the notice is received, Lender is authorized to collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage, whether or not then due.

Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments hereunder or change the amount of such payments.

11 **Transfer of Property** If all or any part of the Property or any interest in it is sold, transferred or conveyed without Lender's prior written consent, Lender may, at Lender's option, require payment in full of all sums secured by this Mortgage. This covenant shall run with the Property and remain in effect until the Note is paid in full by Borrower.

If any person or persons shall succeed to the interest of the Borrower in the Property, or any part thereof, Lender may enter into such agreements with any such successor as it may desire. The Borrower, by reason thereof, shall not be deemed to have been released to any extent from the liability for the payment of debt secured hereby.

12 **Lender Right to Perform** In the event that Borrower fails to perform any of its duties and obligations hereunder, Lender may, without prior notice, perform the duties or cause them to be performed and Borrower irrevocably, until this Mortgage is released, appoints Lender as its agent and attorney-in-fact to execute any document or pay any amount necessary for performance. This power shall extend to completing any partially completed construction that may be commenced on the Property.

This right to perform does not create an obligation to perform on the part of the Lender and Lender's failure to act shall not preclude its right to act in the future. Any and all amounts paid by Lender for insuring, preserving or otherwise protecting the Property and Lender's security interest under this Mortgage shall be due upon demand being made upon Borrower.

13 **Events of Default** The following shall be events of default ("Events of Default")

- (a) Borrower fails to make any payment within thirty (30) days after receipt of written notice from Lender that it is past due,

- (b) Borrower fails to perform any of the terms, covenants or conditions contained in the Note, this Mortgage, or any other document executed by Borrower in connection with the indebtedness evidenced by the Note and this Mortgage, and such default is not cured within thirty (30) days after Borrower receives written notice from Lender of such default, provided, however, that it shall not be a default if the cure cannot be completed within such thirty (30) day period but Borrower commences the cure within the thirty (30) day period and diligently pursues its completion,
- (c) Any action in bankruptcy, receivership or reorganization is filed by or against Borrower, or any assignment for the benefit of creditors is made and entered into by Borrower, Borrower seeks relief under any state or federal law relating to bankruptcy or insolvency, or any judgment or proceeding is entered or brought against Borrower by or in favor of any third party affecting the Property, or a judgment or proceeding is commenced to foreclose any lien thereon and is not dismissed within 90 days,
- (d) Borrower conveys the Property in violation of this Mortgage or any other document executed by Borrower to evidence the indebtedness secured by the Note or this Mortgage,

14 **Remedies** If any Event of Default occurs, then Lender may, at Lender's option, exercise the following rights and remedies in addition to any other rights or remedies Lender may have under the Note, or at law or in equity

- (a) Accelerate payment of the entire indebtedness secured by this Mortgage. If this option is exercised, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is received within which Borrower must pay all sums secured by this Mortgage.
- (b) Foreclose upon the lien of this Mortgage in any manner provided by law
- (c) Enter upon and take and maintain possession of all or any part of the Property, together with all documents, books, records, papers and accounts relating thereto, and may exclude the Mortgagor and its employees, agents or servants therefrom, and the Lender may then hold, operate, manage and control the Property, either personally or by its agents. The Lender shall have full power to use such measures, legal or equitable, as in its discretion may be deemed proper or necessary to enforce the payment or security of the avals, rents, issues, and profits of the Property, including actions for the recovery of rent, actions in forcible detainer and actions in distress for rent. Without limiting the generality of the foregoing, the Lender shall have full power to (1) cancel or terminate any lease or sublease for any cause or on any ground which would entitle the Mortgagor to cancel the same, (2) elect to disaffirm any lease or sublease which is then subordinate to the lien hereof, (3) extend or modify any then existing leases and to enter into new leases, which extensions, modifications and leases may provide for terms to expire, or for options to lessees to extend or renew terms to expire, beyond the Maturity Date and beyond the date of the issuance of a deed or deeds to a purchaser or purchasers at a foreclosure sale, it being understood and agreed that any such leases, and the options or other such provisions to be contained therein, shall be binding upon the Mortgagor and all persons whose interests in the Property are subject to the lien hereof and upon the purchaser or purchasers at any foreclosure sale, notwithstanding any redemption from sale, discharge of the Indebtedness, satisfaction of any foreclosure judgment, or issuance of any certificate of sale or deed to any purchaser, (4) make any repairs, renewals, replacements, alterations, additions, betterments and improvements to the Property as the Lender deems

are necessary, (5) insure and reinsure the Property and all risks incidental to the Lender's possession, operation and management thereof, and (6) receive all of such avails, rents, issues and profits

- (d) Apply for the appointment of a receiver to collect the rents (if any) and profits of the Property and to preserve the security of this Mortgage, as a matter of right, with or without notice, either before or after foreclosure sale, if any, without consideration of the value of the Property or the solvency of any person or persons liable for the payment of such indebtedness. Borrower shall consent to Lender or its agent or attorney being appointed as such receiver

All remedies provided in this Mortgage are separate and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any other right or remedy

Borrower shall pay all costs or charges incurred by Lender in the exercise of any right of remedy under the terms of this Mortgage, including reasonable attorney's fees and court costs

15 **Successors and Assigns Bound** The covenants and agreements of this Mortgage shall bind and benefit the successors and permitted assignees of Lender and Borrower

16 **Expenses; Collection Costs; Loan Charges** Borrower shall pay on demand all costs and expenses incurred in the collection of the Note, or insuring, preserving or protecting the Property and Lender's rights and remedies under this Mortgage

If the Note secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Note exceed the permitted limits, then (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit, and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note

17 **Notices** Any notice provided for hereunder shall be sent by nationally recognized overnight courier, unless applicable law requires use of another method. Any notice shall be sent to the addresses set forth above or to such other addresses as Borrower or Lender may designate in writing. All notices shall be deemed to be given two days after deposit with the courier

18 **Governing Law; Severability** With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Property, this Mortgage will be governed by federal law applicable to the Lender and to the extent not preempted by federal law, the laws of the State of Indiana. In all other respects, this Mortgage will be governed by federal law applicable to the Lender and, to the extent not preempted by federal law, the laws of the State of Ohio without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Mortgage is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Mortgage has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Ohio. If any provision of this Mortgage is adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair or invalidate the remainder of the Mortgage, but shall be limited in its operation to the provision or part directly involved in the controversy in which such judgment shall have been rendered, and in all other respects, the Mortgage shall continue in full force and effect. To this end the provisions of this Mortgage and the Note are declared to be severable

19 **Assignment; Release** Lender may assign his interest under this Mortgage Upon payment of the Note secured by this Mortgage, Lender shall discharge this Mortgage without charge to Borrower Borrower shall pay any recordation costs

IN WITNESS WHEREOF, Borrower has executed this Mortgage on September 6, 2012

Rearden Industrial Real Estate, LLC

By *Timothy I. Martindale*
Timothy I Martindale, Manager

STATE OF OHIO)
) ss
COUNTY OF LUCAS)

The foregoing instrument was acknowledged before me this 6th day of September, 2012 by Timothy I Martindale, the Manager of Rearden Industrial Real Estate, LLC, an Ohio limited liability company, on behalf of the company

My Commission Expires 12/4/16

This Instrument was prepared by
Marshall & Melhorn, LLC
Four SeaGate, Eighth Floor
Toledo, Ohio 43604

Linda Langston
Notary Public
Print Name here → Linda Langston

LINDA LANGSTON
NOTARY PUBLIC - OHIO
MY COMMISSION EXPIRES 12-04-2016

I affirm under the penalties for perjury that I have taken reasonable care to redact each Social Security number in this document, unless required by law.

Daranna Tarton

RECORDER'S OFFICE
SEAL
INDIANA

Document
NOT OFFICIAL!
This Document is the property of
the Lake County Recorder's Office
STOP

EXHIBIT "A"

Lot 2 in Crown Point Ventures II, as per plat thereof, recorded in Plat Book 100 page 61, in the Office of the Recorder of Lake County, Indiana.

Property Address: 1011 East Summit Street, Crown Point, IN 46307

