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STATE OF INDIANA  
LAKE COUNTY  
FILED FOR RECORD

2012 DEC 17 PH 3:42

MICHAEL J. FAHMAN  
RECORDER

**JUNIOR MORTGAGE**

THIS INSTRUMENT ("Junior Mortgage") WITNESSES: That CV Apartments, LLC., ("Mortgagor"), in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, hereby MORTGAGES and WARRANTS to Crestview Apartments, LLC, an Arizona Limited Liability Company ("Mortgagee"), the real estate ("Real Estate") and property located in Lake County, State of Indiana, commonly referred to as 650-638 North Elmer Avenue, Griffith, IN 46319, and legally described as follows:

**Parcel 1:** Lots 9 and 10, Block 2, Grugel's Glen Park 1<sup>st</sup> Addition, Section 4, in the Town of Griffith, as shown in Plat Book 34, page 45, in Lake County, Indiana.

**Parcel 2:** Lot 7, excepting therefrom the East 32 feet thereof, and Lot 8, Block 2, Grugel's Glen Park 1<sup>st</sup> Addition, Section 4, in the Town of Griffith, as shown in Plat Book 34, page 45, in Lake County, Indiana.

**Parcel 3(A):** Lots 11 and 12, Block 2, Grugel's Glen Park 1<sup>st</sup> Addition, Section 4, in the Town of Griffith, as shown in Plat Book 34, page 45, in Lake County, Indiana.

**Parcel 3(B):** Lots 13 and 14, Block 2, and Lots 1 to 4, both inclusive, Block 7, Grugel's Glen Park 1<sup>st</sup> Addition, Section 6, in the Town of Griffith, as shown in Plat Book 36, page 34, in Lake County, Indiana.

**Parcel 3(C):** Lots 5 and 6, Block 7, Grugel's Glen Park 1<sup>st</sup> Addition, Section 7, in the Town of Griffith, as shown in Plat Book 37, page 21, in Lake County, Indiana.

**Parcel 4:** Lots 7 to 11, both inclusive, Block 7, Grugel's Glen Park 1<sup>st</sup> Addition, Section 7, in the Town of Griffith, as shown in Plat Book 37, page 21, in Lake County, Indiana.

**Parcel 5:** Lot 12, Block 7, Grugel's Glen Park 1<sup>st</sup> Addition, Section 7, in the Town of Griffith, as shown in Plat Book 37, page 21, in Lake County, Indiana.

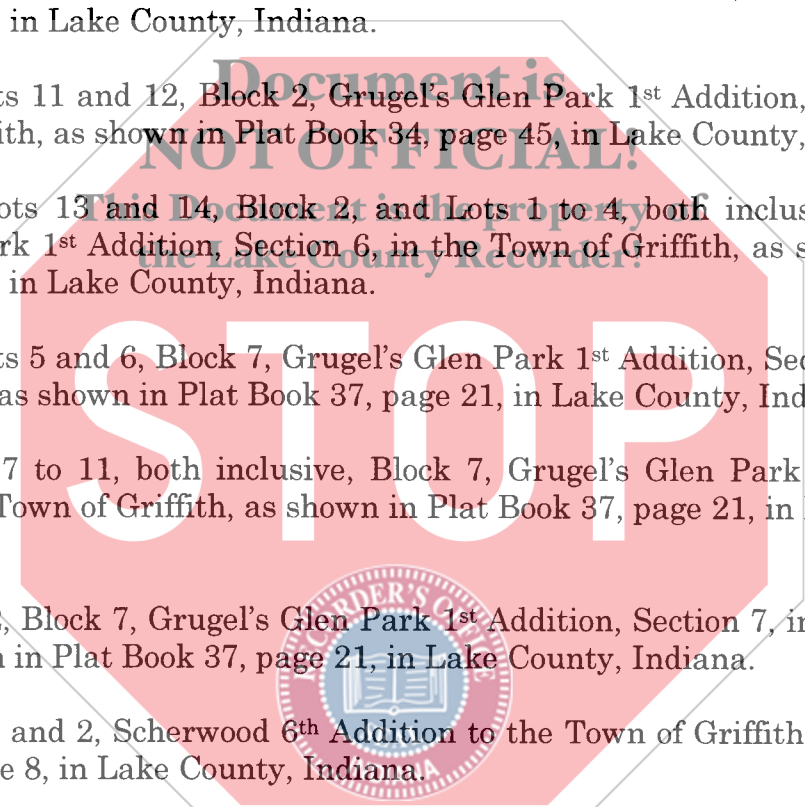
**Parcel 6.** Lots 1 and 2, Scherwood 6<sup>th</sup> Addition to the Town of Griffith, as shown in Plat Book 39, page 8, in Lake County, Indiana.

Property Nos.: 45-07-35-201-005.000-006, 45-07-35-201-004.000-006,  
45-07-35-201-006.000-006, 45-07-35-201-007.000-006, 45-07-35-201-008.000-006,  
45-07-35-201-009.000-006, 45-07-35-251-001.000-006, 45-07-35-201-003.000-006

**FIDELITY NATIONAL  
TITLE COMPANY**

92012-4028 ●

28<sup>th</sup>  
FN  
1/1



**Parcel 7.** Lot 6 and the East 32 feet of Lot 7, Block 2, Grugel's Glen Park 1<sup>st</sup> Addition, Section 4, as shown in Plat Book 34, page 45, in Lake County, Indiana.

together with all rights, title and interests of Mortgagor in and to: (i) All rights, privileges, interests, tenements, hereditaments, easements and appurtenances in any way now or hereafter pertaining to the Real Estate ("Easements"); (ii) All buildings and other improvements of every kind and description now or hereafter placed on the Real Estate, together with all fixtures, machinery and other articles of personal property now or hereafter attached to or regularly used in connection with the Real Estate, and all replacements thereof ("Improvements"); (iii) All extensions, improvements, betterments, substitutes, replacements, renewals, additions and appurtenances of or to the Easements or Improvements ("Additions"); and (iv) All awards, payments or proceeds of conversion, whether voluntary or involuntary, of any of the foregoing, including, without limitation, all insurance, condemnation and tort claims ("Proceeds"). (Hereinafter, the Real Estate, Easements, Improvements, Additions, Rents, and Proceeds are referred to together as the "Mortgaged Property").

This Junior Mortgage is given to secure performance by Mortgagor of the covenants and agreements contained in this Junior Mortgage and to secure payment of: (i) the principal of and interest on the indebtedness evidenced by a certain promissory note ("Note"), executed contemporaneously herewith, and delivered by the Mortgagor (also referred to as "Borrower") to Mortgagee in the principal sum of Five Hundred Forty Thousand and 00/100 Dollars (\$540,000.00), with the final payment due no later than ten (10) years following the date on which payments commence, and with interest computed on the unpaid balance from time to time at the rate(s) set forth therein, and any other amounts payable to Mortgagee pursuant to the terms and provisions of the Note ("Primary Debt"); (ii) all sums advanced and costs and expenses incurred by Mortgagee which are made or incurred pursuant to, or allowed by, the terms of this Junior Mortgage, plus interest thereon at the default rate set forth in said Note ("Default Rate") from the date paid or incurred until reimbursement ("Advancements"); (iii) all costs of repossession, collection, disposition and reasonable attorneys' fees incurred by Mortgagee ("Costs"); (iv) all other indebtedness, obligations and liabilities of Borrower (and each of them, if more than one) to Mortgagee, now existing or hereafter arising, whether fixed or contingent, direct or indirect, primary or secondary, joint or several, and regardless of how created or evidenced ("Additional Liabilities"); and (v) any and all extensions of renewals of any of the foregoing indebtedness

("Extensions"). (Hereinafter, the Primary Debt, Advancements, Costs, Additional Liabilities and Extensions are referred together as the "Indebtedness").

Mortgagor hereby further covenants with the Mortgagee as follows:

1. **Payment of Sums Due.** Mortgagor covenants and agrees to promptly pay the principal of and interest on the Primary Debt and the other Indebtedness, as and when the payment(s) thereof become due, all without relief from valuation and appraisal laws and with attorney's fees.

2. **Care and Condition of Mortgaged Property.** Mortgagor shall keep the Mortgaged Property in good condition and repair, without waste.

3. **Warranties.** Mortgagor covenants and warrants that: (a) Mortgagor is lawfully seized of the Real Estate in fee simple, have valid and indefeasible title to the Mortgaged Property and have a good and legal right to convey and mortgage the Mortgaged Property; and (b) the Mortgaged Property is and will remain free from all liens and encumbrances except only mortgages and liens in favor of Mortgagee and the mortgage lien of Peoples Bank recorded prior to the recording of this Mortgage ("Prior Mortgage Lien"), and Mortgagor will warrant and defend title to the Mortgaged Property against all claims made thereon. Notwithstanding the foregoing, this Mortgage is executed contemporaneously with another Mortgage in favor of the Mortgagee, which Mortgagee intends to assign to Virginia M. Hicks Revocable Trust u/t/d May 18, 2012 (the "Trust"), which underlying loan is issued on parity with the Note. All rights of Mortgagee and the Trust shall, for all purposes, be treated as party obligations.

4. **Insurance.** Mortgagor will keep the Mortgaged Property insured against loss by fire, extended casualty, vandalism, malicious mischief and such other hazards in such amounts as common in the industry for like or similar structures located in Griffith, Indiana.

5. **Taxes.** Mortgagor will pay and discharge or cause to be paid and discharged when due, and before any penalty attaches, all taxes (including real and personal property taxes), general and special assessments, water and sewer rents or assessments, and all other governmental and municipal charges and impositions of any kind imposed upon or assessed

against Mortgagor or the Mortgaged Property, or any part thereof, or arising in respect of the occupancy, use or possession thereof.

6. **Protection of Security by Mortgagee.** Mortgagee may, at Mortgagee's option, upon reasonable notice to Mortgagor, make any payment and perform any act required of Mortgagor by this Junior Mortgage, including but not limited to, payment of insurance premiums, taxes, assessments, repair expenses, payments due on the first Mortgage lien and any other prior liens and encumbrances. All expenses so incurred, including reasonable attorneys' fees, and any other reasonable expenses incurred by Mortgagee to protect the Mortgaged Property shall constitute Advancements and shall be immediately due and payable by Mortgagor.

7. **Transfer of Mortgaged Property.** Mortgagor shall not, without the prior written consent of Mortgagee (which consent shall not be unreasonably withheld), transfer, sell, contract to sell, or in any way further encumber all or any part of the Mortgaged Property.

8. **Condemnation.** If all or any part of the Mortgaged Property, is taken or damaged pursuant to an exercise, or threat of exercise, of the power of eminent domain, the entire proceeds of the award or compensation payable in respect of the part so taken or damaged are hereby assigned to and shall be paid directly to Mortgagor.

9. **Default and Acceleration.** Time is of the essence of this Junior Mortgage. Upon the occurrence of any "Event of Default" (as hereinafter defined), and at any time thereafter, then, in any and every such case, the entire Indebtedness shall, at the option of Mortgagee, become immediately due and payable, and Mortgagee shall have the right immediately to proceed to foreclose the mortgage lien created by this Junior Mortgage against the Mortgaged Property, subject to the terms and conditions of the Prior Mortgage Lien, to enforce every other security interest created by this Junior Mortgage and to institute any action, suit or other proceeding which Mortgagee may deem necessary or proper for the protection of its interests. The following shall each constitute an "Event of Default" for purposes of this Junior Mortgage:

- (a) Default: (i) in the payment when due of any of the Indebtedness, or (ii) in the performance of any covenant or term of this Junior Mortgage;

- (b) Sale, contracting for sale, transfer or encumbrance of all or any part of the Mortgaged Property, without Mortgagee's prior written consent;
- (c) If Mortgagor or Borrower (or any one of them, if more than one) become the subject of an order for relief under the United States Bankruptcy Code, takes any action to obtain relief under the United States Bankruptcy Code, files an answer admitting bankruptcy or insolvency or in any manner is adjudged bankrupt or insolvent;
- (d) Any part of the Mortgaged Property or all or any substantial part of the property or assets of Borrower (or any one of them, if more than one) is placed in the hands of any receiver or trustee, or Borrower (or any one of them, if more than one) consents, agrees or acquiesces to the appointment of any such receiver or trustee;
- (e) Institution of proceedings to enforce or foreclose any Mechanics' Lien or any other mortgage or lien upon all of any part of the Mortgaged Property.

10. **Foreclosure and Application of Proceeds.** All expenses which may be paid or incurred by or on behalf of Mortgagee in connection with the foreclosure of this Junior Mortgage for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and cost of procuring all title searches, policies and examinations and similar data and assurances with respect to title as Mortgagee reasonably may deem necessary to prosecute such suit shall constitute Advancements, shall be immediately due and payable by Mortgagor, with interest thereon at the Default Rate, and shall be allowed and included as Indebtedness in the judgment for sale.

11. **No Exclusive Remedy.** Each and every right, power and remedy conferred upon or reserved to Mortgagee in this Junior Mortgage is cumulative and shall be in addition to every other right, power and remedy given in this Junior Mortgage or now or hereafter existing at law or in equity. No delay or omission of Mortgagee in the exercise of any right, power or remedy shall be construed to be a waiver of any Event of Default or any acquiescence therein.

12. **Provisions Severable.** In the event any one or more of the provisions of this Junior Mortgage for any reason shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage, but this Junior Mortgage shall be construed as if such invalid, illegal or unenforceable provisions had never been contained in this Junior Mortgage.

13. **Notices.** All notices pursuant to this Junior Mortgage shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented personally or sent by registered or certified United States mail, addressed to Mortgagor at the following address:

**Mortgagor:** CV Apartments, LLC  
c/o Nancy L. Clifford  
320 East 90<sup>th</sup> Drive  
Merrillville, IN 46410

and to Mortgagee at the following address:

**Mortgagee:** Crestview Apartments, LLC  
The Hicks Family Trust  
Attn: Jonathan E. Hicks, Trustee  
320 East 90<sup>th</sup> Drive  
Merrillville, IN 46410

or at such other place as either party may, by notice in writing, designate as a place for service of notice.

14. **Successors and Assigns.** This Junior Mortgage shall (a) apply and extend to, be binding upon and inure to the benefit of Mortgagor, Mortgagor's heirs, administrators, successors and assigns and all persons claiming under or through Mortgagor, and the word "Mortgagor" shall include all such persons, and (b) shall apply and extend to, be binding upon and inure to the benefit of Mortgagee and Mortgagee's successors and assigns. The word "Mortgagee" shall include the successors and assigns of Mortgagee, and the holder or holders, from time to time, of the Note and any other Indebtedness instruments.

15. **Miscellaneous.** The captions in this Junior Mortgage are for convenience only and do not define or limit the provisions of this Junior Mortgage. All changes to this Junior Mortgage must be in writing signed by Mortgagee and, if this Junior Mortgage is recorded, shall not be effective until being recorded. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

16. **Identification of Prior Mortgage Lien.** This Junior Mortgage is subject to the Prior Mortgage Lien, the current Mortgagor/Lender of which is Peoples Bank.

IN WITNESS WHEREOF, Mortgagor has executed this Junior Mortgage this 16th day of November, 2012.

MORTGAGOR:

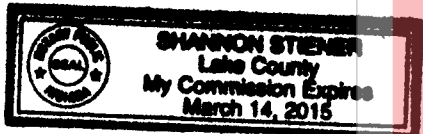
CV Apartments, LLC

By: Jonathan E. Hicks  
JONATHAN E. HICKS, Member

By: Nancy L. Clifford  
NANCY L. CLIFFORD, Member

STATE OF INDIANA )  
) SS:  
COUNTY OF LAKE )

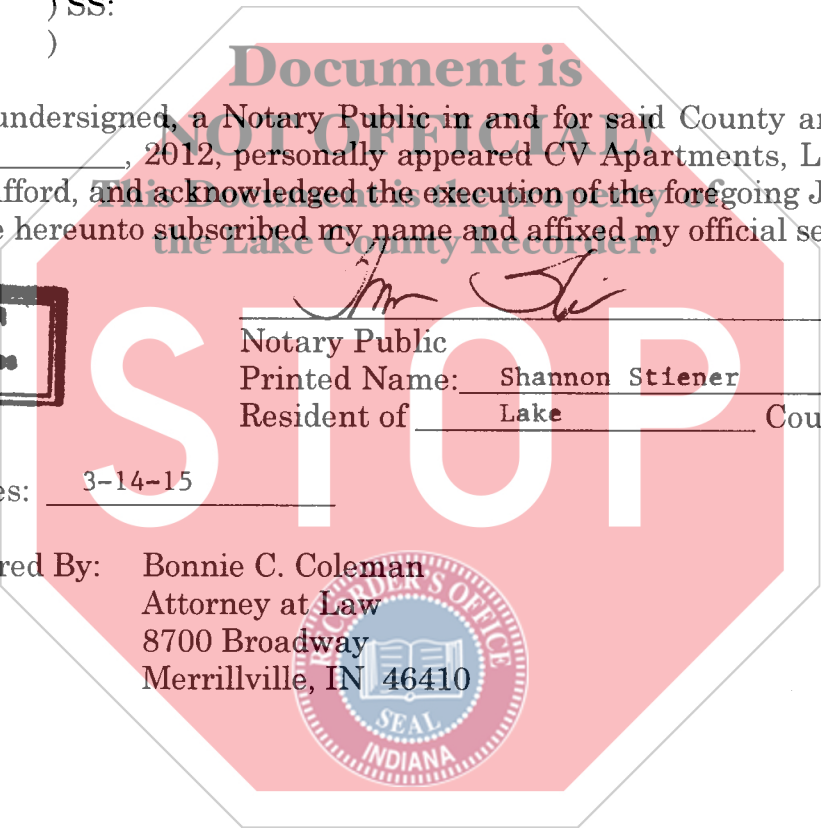
Before me, the undersigned, a Notary Public in and for said County and State, this 16th day of November, 2012, personally appeared CV Apartments, LLC, by Jonathan E. Hicks and Nancy L. Clifford, and acknowledged the execution of the foregoing Junior Mortgage. In witness whereof, I have hereunto subscribed my name and affixed my official seal.



Shannon Stiener  
Notary Public  
Printed Name: Shannon Stiener  
Resident of Lake County

My Commission Expires: 3-14-15

This Instrument Prepared By: Bonnie C. Coleman  
Attorney at Law  
8700 Broadway  
Merrillville, IN 46410



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.

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Bonnie C. Coleman

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