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STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD

16

2014 078062

2014 DEC -9 AM 9:29

MICHAEL B. BROWN
RECORDER

PTS14-7512
WHEN RECORDED RETURN TO:
PROFESSIONALS' TITLE SERVICES, LLC
9195 BROADWAY
MERRILLVILLE, IN 46410

**PURCHASE MORTGAGE AND SECURITY AGREEMENT
AND ASSIGNMENT OF RENTS
(Commercial Purposes)
(This Mortgage Secures Future Advances)**

ESCROW NO. PTS14-7512

APN 45-16-07-276-017.000-042

This Purchase Mortgage and Security Agreement and Assignment of Rents (this "Mortgage"), is made this December 8, 2014, by and from NWI Invest, LLC, a Colorado limited liability company ("Mortgagor"), whose address is 911 Osceola St, Denver, CO 80204, for the benefit of Realty Mogul, Co., a Delaware corporation ("Mortgagee").

Witnesseth: That Mortgagor **HEREBY IRREVOCABLY GIVES, GRANTS, BARGAINS, SELLS, CONVEYS, WARRANTS, TRANSFERS, MORTGAGES, HYPOTHECATES, PLEDGES, SETS OVER, CONFIRMS AND ASSIGNS TO MORTGAGEE, WITH GENERAL WARRANTY OF TITLE AND WITH POWER OF SALE,** the following described property, all accessions and additions thereto, all substitutions therefor and replacements and proceeds thereof, and all reversions and remainders of such property now owned or held or hereafter acquired (collectively, the "Premises"): (a) the fee simple interest in those tracts, pieces or parcels of land (and any easements or other rights in land) commonly known as 271 Walnut Lane, Crown Point, Indiana 46307, with A.P.N. 45-16-07-276-017.000-042, more particularly described in Exhibit A hereto, (b) all buildings, structures and improvements of every nature now or hereafter situated on such land, (c) all easements, rights-of-way, sewers, water rights, and all other right, title, and interest relating to the Premises, whether now or hereafter acquired, (d) all leases or other occupancy agreements that grant to any person a possessory interest in (or right to use) the Premises, (d) all of the rents, revenues, income or other paid or payable by third parties for possessing, using or otherwise enjoying the Premises, and (e) all other agreements relating to the construction, use or operation of the Premises (such as construction contracts, permits and licenses), (f) all insurance policies and proceeds (including condemnation proceeds) therefrom covering any of the premises, now or hereafter acquired by Mortgagor, and (g) all rights to control any property owner's association affecting the Premises, whether as "declarant," "originator" or any other positions; **SUBJECT, HOWEVER,** to the right, power and authority given to and conferred upon Mortgagee by the provisions herein to collect and apply such rents, revenues, issues and profits. Without limiting the scope thereof, the assignment of rents set forth herein shall constitute an assignment of rents as set forth in Ind. Code 32-21-4-2 and hereby creates, and Mortgagor hereby grants to

NOT OFFICIAL!
This Document is the property of

44-
1305
CLC
BT

EXHIBIT "A"

LEGAL DESCRIPTION OF PREMISES

Lot 88 in Fashion Terrace, Unit No. 4, as per plat thereof, recorded in Plat Book 40, page 109, in the Office of the Recorder of Lake County, Indiana.



Mortgagee, a security interest in the rents herein described that will be perfected upon the recording of this Mortgage.

For the Purpose of Securing: (1) performance of each agreement of Mortgagor incorporated by reference or contained herein, (2) payment of the indebtedness evidenced by a Commercial Interest-Only Promissory Note of even date herewith in the principal sum of \$105,000.00 executed by Mortgagor in favor of Mortgagee (the "*Note*"), together with any and all other indebtedness now owing or which may be owing by Mortgagor to Mortgagee, however incurred (including advances to pay taxes, assessments, and insurance premiums on the premises, the costs of repairing, maintaining, and preserving the premises, and the cost of completing any improvements on the premises), and all renewals and extensions of the note or other indebtedness, including any default interest (collectively, the "*Indebtedness*"). The term "*Indebtedness*," as defined in this Mortgage shall include, without limitation, any judgment(s) or final decree(s) rendered to collect any money obligations of Mortgagor to Mortgagee and/or to enforce the performance or collection of all covenants, agreements, other obligations and liabilities of the Mortgagor under this Mortgage, the Note, or any or all of the loan documents executed in connection herewith; provided, however, such Indebtedness shall not include any judgment(s) or final decree(s) rendered in another jurisdiction, which judgment(s) or final decree(s) would be unenforceable by an Indiana Court pursuant to Ind. Code 34-54-3-4. The obtaining of any judgment by Mortgagee (other than a judgment foreclosing this Mortgage) and any levy of any execution under any such judgment upon the Premises shall not affect in any manner or to any extent the lien of this Mortgage upon the Premises or any part thereof, or any liens, powers, rights and remedies of Mortgagee, but such liens, powers, rights and remedies shall continue unimpaired as before until the judgment or levy is satisfied. Mortgagor has promised to pay this debt with interest-only payments until the principal amount of the debt is repaid in full not later than November 30, 2015. All references herein to "loan documents" shall be deemed to refer to this Mortgage, the Note and any and all other documents executed by Mortgagor, Mortgagee, and any other party in connection with the loan evidenced by the Note and secured hereby.

THIS MORTGAGE IS ASSOCIATED WITH A BALLOON NOTE AND THE FINAL PRINCIPAL PAYMENT OR PRINCIPAL BALANCE DUE UPON MATURITY (EXCEPT TO THE EXTENT PREPAID) IS \$105,000.00, TOGETHER WITH ACCRUED INTEREST, IF ANY, AND ALL ADVANCEMENTS MADE BY THE MORTGAGEE UNDER THE TERMS OF THIS MORTGAGE OR THE NOTE.

Covenants of Title. Mortgagor hereby covenants that Mortgagor is lawfully seized and possessed of the Premises, and has good right to convey it, and it is unencumbered; and Mortgagor does WARRANT AND FOREVER DEFEND the title thereto against the claims of all other persons, to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee, and to pay all costs and expenses including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Mortgagee may appear, and in any suit brought by Mortgagee to foreclose this Mortgage.

Commercial Purpose. Mortgagor represents and warrants to Mortgagee that Mortgagor has acquired the Premises for commercial purposes, and hereby grants to Mortgagee the right to periodically inspect the Premises to determine that the Premises is being used for business purposes.

I affirm, under penalties of perjury, that I have taken reasonable care to redact each Social Security number in this document, unless required by law. /s/ **Tracy LaFlair**

THIS INSTRUMENT PREPARED BY
AND WHEN RECORDED MAIL TO:

Tracy LaFlair [Must be an individual]

c/o RealtyMogul Co.

10780 Santa Monica Blvd., Suite 140

Los Angeles, CA 90025

Phone: (310) 907-7129

Loan number: RM20140047



Assignment of Rents. As further security for the debt herein described, Mortgagor hereby sells, assigns, sets over and transfers to Mortgagee all its right, title and interest in all rents (and revenues of any kind, including, without limitation, any liquidated damages following default under any related leases) that shall hereafter become due or be paid for the use of the Premises; but Mortgagee agrees that this rent assignment will not be enforced so long as no default on the part of Mortgagor exists under the terms and conditions of this Mortgage or of the Note, and while no such default exists, Mortgagee waives its rights to and its interest in said rents. Upon any default by Mortgagor under this Mortgage or the Note, Mortgagor (i) agrees that Mortgagee or its representative may enter upon said property and collect the rents therefrom, (ii) constitutes and appoints Mortgagee as Mortgagor's agent and attorney-in-fact to collect such rents by any appropriate proceedings, (iii) agrees that any tenant in said property or any renting agent in charge thereof shall be authorized to pay any such rents to Mortgagee, and (iv) Mortgagee is authorized to pay a rental or real estate agent a commission of five percent (5%) for collecting such rents. The net amount of rent so collected shall be applied towards the debt hereby secured or as provided by law. In exercising Mortgagee's rights, Mortgagee is not required to pay any costs associated with the Premises except as Mortgagee may elect in its sole and absolute discretion.

Bankruptcy; Mortgagee as Secured Creditor. Mortgagor acknowledges that Mortgagee has taken all actions necessary to obtain, and that, upon recordation of this Mortgage, Mortgagee shall have (to the extent permitted under applicable law) a valid and fully perfected first priority present assignment of such rents and all security for the related leases, and that Mortgagee's interest in the rents shall be deemed to be fully perfected, "choate" and enforced as to Mortgagor and all third parties, including, without limitation, any subsequently appointed trustee in any case under Title 11 of the United States Code (the "*Bankruptcy Code*"), without the necessity of commencing a foreclosure action with respect to this Mortgage, making formal demand for the rents, obtaining the appointment of a receiver or taking any other affirmative action. Mortgagor agrees that (a) this Mortgage shall constitute a "security agreement" for purposes of Section 552(b) of the Bankruptcy Code, (b) the security interest created by this Mortgage extends to property of Mortgagor acquired before the commencement of a case in bankruptcy and to all amounts paid as rents and (c) such security interest shall extend to all rents acquired by the estate after the commencement of any case in bankruptcy. So long as part of the Indebtedness remains unpaid and undischarged, the fee and leasehold estates to the Premises shall not merge, but shall remain separate and distinct, notwithstanding the union of such estates either in Mortgagor, Mortgagee, any tenant or any third party, by purchase or otherwise.

Due on Sale. If all or any part of the Premises or an interest therein is, or the Mortgagor itself, is without Mortgagee's prior written consent sold, transferred, or used as security by Mortgagor for an indebtedness other than the Indebtedness, then any such sale, transfer or use as security shall constitute a default hereunder and Mortgagee may, at its option, declare all the sums secured by this Mortgage to be immediately due and payable. Such right to accelerate shall not be waived merely by Mortgagee's acceptance of installment payments on the Indebtedness subsequent to any such sale, transfer or use as security, which right to accelerate may be exercised at any time.

THE INDEBTEDNESS SECURED HEREBY IS SUBJECT TO CALL IN FULL OR THE TERMS THEREOF BEING MODIFIED UPON SALE OR

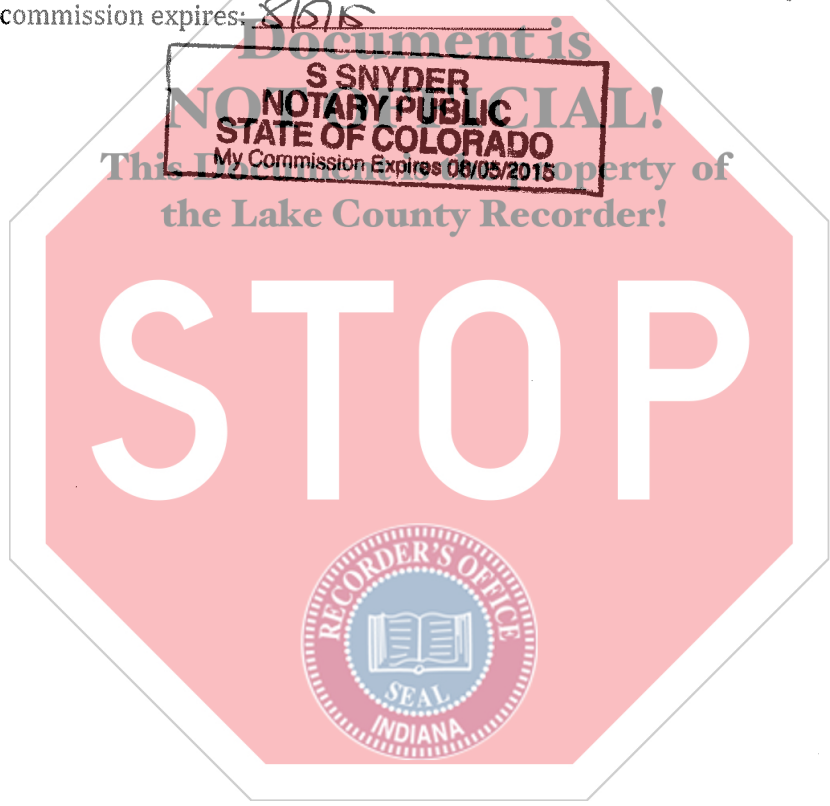
STATE OF Colorado)
INDIANA)
COUNTY OF Denver) SS:

Before me, a Notary Public in and for the State of Co, personally appeared Mark Reese, the Manager/member of NW Investment II, who, being first duly sworn, acknowledged the execution of the foregoing Purchase Mortgage and Security Agreement and Assignment of Rents for and on behalf of said _____, and who, having been duly sworn, stated that the representations therein contained are true.

Witness my hand and Notarial Seal this 5 day of December, 2014.

Snyder
Notary Public
Snyder
Printed Name

I am a resident of Denver county, Colorado State (SEAL)
My commission expires: 8/15/15



**CONVEYANCE OF THE PREMISES HEREIN CONVEYED, OR UPON
THE SALE OR CONVEYANCE OF ANY OF THE PREMISES DESCRIBED
IN EXHIBIT A AND THIS MORTGAGE.**

Subrogation. It is agreed that Mortgagee shall be subrogated to all right, title, lien, or equity of all persons to whom it may have paid moneys in settlement of liens, charges, or in acquisition of title for its benefit under this Mortgage or for the benefit and account of Mortgagor at any time as may related to the terms of the Indebtedness.

Preservation and Maintenance of the Premises. Mortgagor hereby covenants, for so long as any part of the Indebtedness remains unpaid, to keep the Premises in as good condition as it now exists and in good condition and repair, to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor, to not remove or demolish any building on said property, to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon, not to commit or permit waste thereof, not to commit, suffer or permit any act upon said property in violations of law, and to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary. Mortgagor shall not demolish, destroy, or remove any permanent structure now existing on the premises or make any alteration thereon that would constitute a structural change without the written consent of the Mortgagee;

Payment of Taxes and Insurance. Mortgagor hereby covenants, for so long as any part of the Indebtedness remains unpaid, to pay all taxes and assessments that may be liens, encumbrances, and charges upon said premises, as they become due, and with interest where applicable; to keep the improvements on the Premises fully insured against loss or damage by fire and similar hazards, with loss, if any, to be payable to Mortgagee, and shall deliver such policies of insurance to Mortgagee; and that any tax, assessment, or premium of insurance, not paid when due by Mortgagor, may, without notice to or demand upon Mortgagor, be paid by Mortgagee, without releasing Mortgagor from any obligation thereof, and any sum so paid shall be added to the amount of said principal debt as part thereof, drawing interest from the time of said payment at the rate of eighteen percent (18%) per annum, and shall, together with such interest, be covered by the security of this Mortgage; to pay immediately and without demand all sums so expended by Mortgagee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby, any amount demanded by the Mortgagee not to exceed the maximum allowed by law at the time when said statement is demanded. In the event that Mortgagee receives any money for damages covered by insurance, such money may be retained and applied toward the payment of the Indebtedness or may be paid over, either wholly or in part, to Mortgagor to enable Mortgagor to repair or replace improvements, or for any other purpose, without affecting the lien of this Mortgage for the full amount secured hereby before such damage or such payment took place. Any award of damages or proceeds received in connection with any condemnation for public use of or injury to all or part of the Premises is hereby assigned and shall be paid to Mortgagee, who may apply or release such monies in the same manner and with the same effect as above provided for disposition of proceeds of fire, property or other insurance. Mortgagee are authorized to enter upon the Premises for such purposes; appear in and defend any action or proceeding purporting to affect

IN WITNESS WHEREOF, Mortgagor, intending to be legally bound hereby, has executed this Mortgage as of the day and year first above written.

MORTGAGOR:

NWI Invest, LLC

By: *Mark Riese*
Mark Riese
Member-Manager



the security hereof or the rights or powers of Mortgagee; pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and in exercising any such powers, pay necessary expenses, employ counsel and pay counsel's reasonable fees.

Hazardous Substances. Mortgagor shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances (as defined below), or threaten to release any Hazardous Substances, on or in the Premises. Mortgagor shall not do, or allow anyone else to do, anything affecting the Premises that (a) is in violation of any environmental law, (b) creates a condition that could cause or otherwise trigger an environmental cleanup, or (c) due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Premises. Mortgagor shall give Mortgagee prompt notice of any such action or any investigation, claim, demand or other action involving the Premises and any Hazardous Substance. "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by laws relating to health, safety or environmental protection as well as gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials.

Indemnification. Mortgagor shall indemnify, defend and hold Mortgagee harmless from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including reasonable attorneys' fees and expenses) imposed upon, incurred by, or asserted against Mortgagee by reason of (i) any failure by Mortgagor to perform or comply with any of the covenants or conditions of this Mortgage or (ii) any accident, injury to or death of persons or loss of or damage to property occurring on or about the Premises or any part thereof. If any action, suit or proceeding is brought against Mortgagee by reason of any such occurrence, Mortgagor, upon the written request of Mortgagee, shall at Mortgagor's expense resist and defend such action, suit or will cause the same to be resisted and defended by counsel reasonably acceptable to Mortgagee.

Mortgagor to Pay Expenses of Mortgagee. Mortgagor agrees to pay all costs and expenses of Mortgagee, including reasonable attorneys' fees, (i) if Mortgagee finds it necessary or desirable to secure advice of counsel with regard to collection of the Note or protection of its rights under the Note or this Mortgage, (ii) incurred by Mortgagee in having the Premises abandoned by or reclaimed from any estate in bankruptcy, or in attempting to have any stay or injunction against the enforcement or collection of the Note or against foreclosure of the Premises lifted by any bankruptcy or other court, (iii) incurred by Mortgagee if either shall be made a party to or shall intervene in any action or proceeding, whether in court or before any governmental agency, affecting the Premises or the title thereto or the interest of Mortgagee under this Mortgage (including, without limitation, any form of condemnation or eminent domain proceeding). All such sums shall be secured hereby, and are due and payable on demand.

Status of Parties. The possession of the Premises, during the existence of the Indebtedness, by Mortgagor (or any persons claiming under Mortgagor) shall be that of tenant under Mortgagee during the due performance of all of the aforementioned obligations. In the event of a sale by Mortgagee under the power hereinafter provided or by foreclosure by process of law, then Mortgagor (or any person in possession under Mortgagor) shall then become and be a tenant

immediately notify the Mortgagee in writing of the additions or changes.

WAIVER OF JURY TRIAL. THE MORTGAGOR IRREVOCABLY WAIVES ANY AND ALL RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS MORTGAGE, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS MORTGAGE OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. THE MORTGAGOR ACKNOWLEDGES THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

The Mortgagor acknowledges that it has read and understood all the provisions of this Mortgage, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.

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“holding over” and shall forthwith deliver possession to the purchaser at such sale, or be summarily dispossessed, in accordance with the provisions of law applicable to tenants holding over.

Neither the enforcement of any of the remedies described herein, the assignment of rents, nor any other remedies afforded to Mortgagee under the Note or any related loan documents shall (i) cause Mortgagee to be deemed or construed to be a mortgagee in possession of the Premises, (ii) obligate Mortgagee to lease the Premises or attempt to do so, or (iii) take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the leases of the Premises or otherwise.

No Waiver. By accepting payment of any sum secured hereby after its due date, Mortgagee does not waive its rights either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.

Event of Default. The occurrence of any one or more of the following events shall be an event of default hereunder (an “*Event of Default*”):

- (a) *Monetary Default.* Failure to pay when due any sum due pursuant to the Note or this Mortgage within five (5) days of its due date.
- (b) *Breach of Covenants.* Failure to perform or comply with any of the non-monetary covenants, agreements, terms and conditions contained in this Mortgage and/or the Note, and such failure is not cured within ten (10) days of Mortgagor’s receipt of notice of such non-performance or non-compliance.
- (c) *Attachment.* If there is an attachment or judicial seizure of any part of the Premises.
- (d) *Bankruptcy.* If Mortgagor shall file a voluntary petition in bankruptcy or be adjudicated insolvent or bankrupt, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, or if Mortgagor shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator for it or of the Premises, or shall make any general assignment for the benefit of creditors; or if a petition shall be filed against Mortgagor seeking any of the foregoing and shall remain dismissed for sixty (60) days, or if the appointment of any trustee, receiver or liquidator of either Mortgagor or the Premises shall not be discharged within sixty (60) days.
- (e) *Liens.* If any mechanic’s or materialmen’s lien, or any other lien or encumbrance (including, without limitation, a homeowners’ association lien) is filed against the Premises or any portion thereof and such lien is not released of record (by payment or bonding) within thirty (30) days after it is filed.
- (f) *Control or Dissolution of Mortgagor.* The death or legal incapacity of members of the Mortgagor and the estate or conservatorship, as applicable, of such member does not affirm its obligations within 180 days of the applicable death or incapacity; or if, without the prior written consent of Mortgagee, (i) beneficial ownership of Mortgagor shall change, (ii) Mortgagor shall cause or institute any proceeding for its dissolution, termination or merger, or (iii) any of the ownership interests of Mortgagor is transferred.

Remedies of Mortgagee.

to mature (except as expressly provided in any of the loan documents) or declare due the whole of the secured indebtedness, marshalling in the event of exercise by Mortgagee of the foreclosure rights, power of sale, or other rights hereby created, and any defense based on impairment of the collateral.

(b) Nothing in this Mortgage shall be deemed to constitute a waiver by Mortgagor under Ind. Code 32-29-7-5 (or any successor provision of the Ind. Code) of the time limitations set out in Ind. Code 32-29-7-3 on the issuance of process for the execution of a judgment or decree of sale under a judgment or decree of foreclosure; nor shall any waiver made by Mortgagor or right granted to Mortgagee in this Mortgage or in any other loan document be deemed to constitute consideration for a waiver or release of, or otherwise be construed as a waiver or release of, the right of Mortgagee or any holder of a judgment on any indebtedness or obligation secured hereby to seek a deficiency judgment against Mortgagor, any guarantor or other person personally liable for the Indebtedness, whether pursuant to Ind. Code 32-29-7-5 or otherwise, which right to seek a deficiency judgment is hereby preserved, reserved and retained by Mortgagee for itself and its successors and assigns.

Fixture Filing. It is intended that as to the fixtures, as such term is defined in Ind. Code 26-1-9.1-102(41), that are part of the Premises, this Mortgage shall be effective as a continuously perfected financing statement filed pursuant to Ind. Code 26-1-9.1-515 as a fixture filing from the date of the filing of this Mortgage for record with the Recorder of Lake County, Indiana. In order to satisfy Ind. Code 26-1-9.1-502(a) and Ind. Code 26-1-9.1-502(b), the following information is hereby provided:

STOP
**This Document is the property of
the Lake County Recorder!**

Name of Debtor: NWI Invest, LLC
Address of Debtor: 911 Osceola St., Denver, CO 80204
Type of Organization: Limited Liability Company
State of Organization: Colorado
Organization Number: 20141666484
Name of Secured Party: Mark Riese
Address of Secured Party: 911 Osceola St., Denver, CO 80204
Record Owner of Property: NWI Invest LLC

Mortgagor hereby acknowledges receipt of a copy of this Mortgage in compliance with Mortgagee's obligation to deliver a copy of the fixture filing to Mortgagor pursuant to Section 9.1-502(f) of the UCC.

Acknowledgement of Receipt. Mortgagor hereby acknowledges receipt, pursuant to I.C. 26-1-9.1-502(f), of a copy of this Mortgage.

Change in Name or Locations. The Mortgagor hereby agrees that if the location of any of the Premises changes from the property described on Exhibit A, or if the Mortgagor changes its name, its type of organization, its state of organization (if Mortgagor is a registered organization), its principal residence (if Mortgagor is an individual), its chief executive office (if Mortgagor is a general partnership or non-registered organization) or establishes a name in which it may do business that is not the current name of the Mortgagor, the Mortgagor will

- (a) Upon any Event of Default, Mortgagee shall have the right to (i) accelerate the maturity of the Indebtedness by declaring the entire debt to be in default and immediately due and payable, together with accrued interest and all expenses and costs of collection shall be added to the amount of the Indebtedness and as such shall also be covered by the security of this Mortgage, (ii) in accordance with Ind. Code 32-30-5-1(4)(C), to have a receiver appointed for the Premises as a part of any proceeding to foreclose on this Mortgage or to enforce any of its terms, or relating to the collection of rents or of any part of the Indebtedness, and Mortgagor agrees to the appointment of such receiver without requiring proof of insolvency, value of the Premises or any other equitable defenses, and to the appointment of such receiver, to the extent permitted by applicable law, (iii) enter the property and take exclusive possession thereof and of all books records and accounts relating thereto or located thereon, and if Mortgagor remains in possession, then Mortgagee may invoke legal remedies to dispossess Mortgagor, (iv) hold, manage, develop, operate, or otherwise use the Premises as Mortgagee may deem reasonable (making such repairs, alternations, additions and improvements and taking other actions as Mortgagee may deem advisable), and apply all rents and other amounts collected by Mortgagee in connection therewith in accordance with this Mortgage and the Note, and (v) seek auction and sale of the Premises through court action or, in the event permitted under applicable law, sell the Premises at auction, at the local courthouse, at sheriff's sale, or otherwise pursuant to applicable law, to the highest bidder for cash free from any right of redemption, after advertising the time, terms and place of such sale all other notice being hereby waived by Mortgagor, and Mortgagee or any person on behalf of Mortgagee, or assigns, may bid and purchase at such sale and thereupon execute and deliver to the purchaser or purchasers at such sale a sufficient conveyance of said property in fee simple, which conveyance shall contain recitals as to the happenings of the default upon which the execution of the power of sale herein granted depends, and Mortgagor hereby constitutes and appoints Mortgagee and the agent and attorney-in-fact of Mortgagor to make such recitals, and hereby covenants and agrees that the recitals so to be made by Mortgagee, or assigns, shall be binding and conclusive upon Mortgagor.
- (b) Mortgagee shall collect the proceeds of any such sale, which shall be applied first to the costs and expenses of the sale (including any attorneys' fees and any increased servicing or related fees), then to the entire balance amount of principal and interest due under the Indebtedness, together with the amount of any taxes, assessments, premiums of insurance or other payments theretofore paid by Mortgagee, with eighteen percent (18%) per annum thereon from date of payment, and the remainder, if any, to Mortgagor.
- (c) At any time or from time to time, without liability therefore and without notice, and without affecting the personal liability of any person for payment of the Indebtedness, Mortgagee may reconvey any part of said property; consent to the making of any map or plot thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
- (d) Notwithstanding anything in this Mortgage, the Note, or the loan documents to the contrary, Mortgagee shall be entitled to all rights and remedies that a mortgagee would have under Indiana law or in equity including, but not by way of limitation, Mortgage Foreclosure

Full Payment. That upon surrender of this Mortgage and said note for cancellation and retention and upon payment of its fees, Mortgagee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof.

Binding on Successors. This Mortgage applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Mortgagee shall mean the owner and holder from time to time, including pledgees, of the Note, whether or not named as Mortgagee herein. In this Mortgage, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

General. The rights and remedies under this Mortgage shall be separate, distinct and cumulative, none of them shall be in exclusion of any other, and all such rights and remedies are in addition to every other remedy existing now or hereafter, at law or in equity or by statute. No delay on the part of Mortgagee, nor any failure by either of them, to exercise any right, power or privilege hereunder (whether single, partial, or entire) shall operate as a waiver thereof. There are no verbal or other agreements or understandings between Mortgagor and Mortgagee that modify or affect the terms of this Mortgage, and Mortgagor has not relied upon any representations made by the Mortgagee that have not been made in writing in this Mortgage, the Note or the other documents relating to the Indebtedness. In the event of any conflict between the terms of this Mortgage, the Note, and the terms of the other documents relating to the Indebtedness, the terms of this Mortgage shall prevail. This Mortgage and the rights and obligations of the parties hereto shall be governed by and be construed according to the laws of the State of Indiana, without giving effect to the principles of conflicts of laws thereof. This Mortgage shall be deemed to have been drafted jointly by Mortgagor and Mortgagee, and no law or rule requiring the interpretation of uncertainties against a drafting party shall apply. The headings in this Mortgage are for convenience only and shall not to be used in any interpretation of this Mortgage. Any provision of this Mortgage that shall be held by a court of competent jurisdiction to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision or term hereof, and all other provisions or terms hereof shall remain in full force and effect. Whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

Certain Waivers.

(a) The Mortgagor hereby waives and releases all benefit that might accrue to the Mortgagor by virtue of any present or future law providing for or requiring (i) any appraisal or valuation before sale of any portion of the Premises, (ii) any stay of execution or extension of the time for the enforcement of the collection of the Indebtedness, or the creation or extension of a period of redemption from any sale made in collecting such debt, (iii) exemption of the Premises, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale on execution, or providing for any stay of execution, exemption from civil process or extension of time for payment or any rights of marshalling in the event of any sale hereunder of the Premises, (iv) foreclosure of this Mortgage before exercising any other remedy granted hereunder, and (v) unless specifically required herein, all notices of the Mortgagor's default or of the Mortgagee's election to exercise, or the Mortgagee's actual exercise of any option under this Mortgage or any other loan document. Mortgagor, to the extent permitted by law, also hereby specifically waives and releases all rights of redemption, valuation, appraisal, stay of execution, notice of election

Actions, Ind. Code 32-30-10, Receiverships, Ind. Code 32-30-5, and the Revised Uniform Commercial Code, Ind. Code 26-1-9.1 (the "*UCC*") (such laws, as amended, modified and/or recodified from time to time, are collectively referred to herein as the "*Applicable Law*"). In the event of any inconsistency between the provisions of this Mortgage, the Note or the loan documents, and the provisions of Applicable Law, the provisions of Applicable Law shall take precedence, but shall not invalidate or render unenforceable any other provisions of this Mortgage, the Note or the loan documents that can be construed in a manner consistent with Applicable Law. Conversely, if any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of the Mortgagor which are more limited than the rights or remedies that would otherwise be vested in the Mortgagee under Applicable Law in the absence of said provision, Mortgagee shall be vested with the rights and remedies granted under Applicable Law. Notwithstanding any provision in this Mortgage relating to a power of sale or other provision for sale of the Premises upon default other than under a judicial proceeding, any sale of the Premises pursuant to this Mortgage will be made through a judicial proceeding, except as otherwise may be permitted under the UCC.

- (e) To the extent the Applicable Law limits (i) the availability of the exercise of any of the remedies set forth in this Mortgage, including without limitation the remedies involving a power of sale on the part of Mortgagee and the right of Mortgagee to exercise self-help in connection with the enforcement of the terms of this Mortgage, or (ii) the enforcement of waivers and indemnities made by Mortgagor, such remedies, waivers, or indemnities shall be exercisable or enforceable, any provisions in this Mortgage to the contrary notwithstanding, if, and to the extent, permitted by the laws in force at the time of the exercise of such remedies or the enforcement of such waivers or indemnities without regard to whether such remedies, waivers or indemnities were enforceable at the time of the execution and delivery of this Mortgage.
- (g) In connection with any undertaking to enforce this Mortgage, including actions in advance of, or as an alternative to, filing any foreclosure proceeding or any other judicial action, Mortgagee shall be entitled to recover, as part of the Indebtedness, any attorneys fees, paralegal fees (whether for outside counsel or internal corporate counsel), court costs and any and all other costs and expenses incurred in such attempt to enforce the obligations of Mortgagor set forth in this Mortgage or the other loan documents.

Right to Make Advances. Upon any Event of Default, Mortgagee may, at its option, advance or disburse funds for the performance of any term, warranty, covenant, condition, or obligation of Mortgagor hereunder. All sums so advanced or disbursed by Mortgagee for such performance shall be secured hereby and held to be a prior charge to the lien of this Mortgage upon foreclosure, and shall be payable on demand.

Future Advances; Maximum Principal Amount. This Mortgage is given for the purpose of creating a lien on real property in order to secure not only existing indebtedness, but also future advances, whether such advances are obligatory or to be made at the option of the Mortgagee, or otherwise, and whether made before or after a default or Event of Default or maturity or other similar events, to the same extent as if such future advances were made on the date of the execution

hereof, although there may be no advance made at the time of the execution hereof and although there may be no indebtedness outstanding at the time any advance is made. The types of future advances secured by and having priority under this Mortgage shall include (i) advances and readvances of principal under the Note or other loan documents and, (ii) disbursements and other advances for the payment of taxes, assessments, maintenance charges, insurance premiums or costs relating to the Premises, for the discharge of liens having priority over the lien of this Mortgage, for the curing of waste of the Premises and for the payment of service charges and expenses incurred by reason of default and including late charges, attorneys' fees and court costs, together with interest thereon. The lien of this Mortgage shall be valid as to all such indebtedness and future advances, and any modifications, extensions and renewals thereof and of the Indebtedness, from the date of execution, in accordance with Ind. Code 32-29-1-10, as the same may hereafter be amended, and the laws of the state in which the Premises is situated. The maximum amount of additional future indebtedness and advances secured hereby shall not exceed \$210,000.00.

It is Mortgagor's express intention that this Mortgage and the continuing lien and security interest granted hereby, in addition to securing all present Indebtedness and obligations of Mortgagor to Mortgagee, shall extend to all future Indebtedness and obligations of Mortgagor to Mortgagee, whether or not such Indebtedness or obligations are reduced or entirely extinguished and thereafter increased or reincurred, whether or not such Indebtedness or obligations are related to the indebtedness identified above by class, type or kind and whether or not such Indebtedness or obligations are specifically contemplated by Mortgagor and Mortgagee as of the date hereof. The absence of any reference to this Mortgage in any documents, instruments or agreements evidencing or relating to any Indebtedness or obligation secured hereby shall not limit, or be construed to limit, the scope of applicability of this Mortgage.

Attorney-in-Fact. Mortgagor hereby irrevocably appoints Mortgagee as its attorney-in-fact, which agency is coupled with an interest, with full authority in the place and stead of Mortgagor, to, in Mortgagee's discretion, (a) execute and/or record any notices of completion, cessation of labor or any other notices that Mortgagee deems appropriate to protect Mortgagee's interest, if Mortgagor shall fail to do so within ten (10) days after written request by Mortgagee, (b) upon the issuance of a deed pursuant to the foreclosure of this Mortgage or the delivery of a deed in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the leases, rents, and property agreements in favor of Mortgagee of any such deed and as may be necessary or desirable for such purpose, (c) prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Mortgagee's security interests and rights in or to any of the Premises, and (d) while any event of default exists, to perform any obligation of Mortgagor hereunder; *provided, however*, that (1) Mortgagee shall not under any circumstances be obligated to perform any obligation of Mortgagor, (2) any sums advanced by Mortgagee in such performance shall be added to and included in the Indebtedness and shall bear interest at the rate hereinabove described, (3) Mortgagee as such attorney-in-fact shall only be accountable for such funds as are actually received by Mortgagee, and (4) Mortgagee shall not be liable to Mortgagor or any other person or entity for any failure to take any action which it is empowered to take under this provision. Mortgagor hereby ratifies and approves all acts of said attorney, and so long as the attorney acts in good faith it shall have no liability to Mortgagor for any act or omission as such attorney.