

2016 054564

2016 AUG 11 AM 8:50

**FIRST REAL ESTATE MORTGAGE** MICHAEL B. BROWN  
RECORDER

A power of sale has been granted in this Mortgage. A power of sale may allow the holder of the Mortgage to take the property and sell it without going to court in a foreclosure action upon default by the person giving the Mortgage under this Mortgage.

THIS FIRST REAL ESTATE MORTGAGE ("Mortgage") is made this May 3, 2016, between Black Oak Baptist Church, Inc., 6502 W. 25<sup>th</sup> Avenue, Gary, Indiana 46406 ("Church") and THE BAPTIST FOUNDATION OF INDIANA, an Indiana not for profit religious and charitable corporation, of 3021 E. 71<sup>st</sup> Street, Indianapolis, Indiana 46220 ("Baptist Foundation").

**Reasons For This Mortgage**

1. Baptist Foundation has made a loan to Black Oak Baptist Church, Inc., in order to finance the purchase and installation of a roof on the 6502 W. 25<sup>th</sup> Avenue property.
2. Black Oak Baptist Church, Inc. promised to pay to Baptist Foundation the principal sum of Fifty Thousand and 00/100 Dollars (\$50,000.00), with interest (the "indebtedness").
3. The indebtedness is evidenced by Church's Promissory Note of the same date, signed by the Church, the final payment being due June 1<sup>st</sup>, 2036. The initial rate of interest is Six percent (6%) per annum. The rate of interest shall be fixed during the term of the Note as provided in the Note.

**Document is NOT OFFICIAL!**  
Grant of Mortgage

NOW THEREFORE, to secure to the Baptist Foundation the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced to protect the security of this Mortgage; and the performance of the covenants and agreements of Church contained in the Note, Loan Agreement, Loan Documents and this Mortgage, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged. Church does hereby mortgage, grant, bargain, sell and convey, with power of sale, and grant a security interest to Baptist Foundation the following described property located in the County of Lake, State of Indiana to wit:

**LEGAL DESCRIPTION**

Lots 17 thru 25, both inclusive, in Block 13 in Oak Ridge Park Addition to Gary, as per plat thereof, recorded in Plat Book 9, page 1, and amended by corrected plat recorded in Plat Book 32, page 95, in the Office of the Recorder of Lake County, Indiana.



AMOUNT \$ 39.00  
 CASH \_\_\_\_\_ CHARGE \_\_\_\_\_  
 CHECK# 3519  
 OVERAGE \_\_\_\_\_  
 COPY \_\_\_\_\_  
 NON-CONF   
 DEPUTY [Signature]

(the "real property") TOGETHER with

- (i) all the buildings, structures, improvements now or hereafter erected on the real property, including all rents, issues and profits therefrom;
- (ii) all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock owned by Church and held and used in connection with the real property;
- (iii) all personal property and fixtures now or hereafter located in or used for the operation and maintenance of the real property and the improvements on the real property;
- (iv) any and all proceeds payable under any policy of insurance relating to the real property; and
- (v) any and all proceeds arising from the taking of all or part of the real property by right of eminent domain.
- (vi) All rights to collect and receive any insurance proceeds or other sums payable as or for damages to any of the buildings, improvements and tangible personal property located on the Property, for any reason or by virtue of any occurrence;
- (vii) All betterments, accessions, additions, appurtenances, substitutions and revisions relating to any of the foregoing;
- (viii) All presently existing and future agreements between the Church and any third party which relate in any way to any of the foregoing;
- (ix) All rights and entitlements to develop the Property granted by any governmental or quasi-governmental authority; and
- (x) All other things and additional rights of any nature, of value or convenience in the enjoyment, development, operation or production, in any way, of any property or interest included in any of the foregoing clauses, all prepaid accounts and utility deposits, and all revenues, income, rents, tenant security deposits, issues, profits and other benefits arising therefrom or from any contract now in existence or hereafter entered into pertaining thereto, and all rights, title and interests appurtenant thereto.

All of the real property and the above described personal property and rights used and held in connection with the real property will be referred to as the "Property."

TO HAVE AND TO HOLD the Property with all the rights, improvements and appurtenances thereunto belonging, or in anywise appertaining unto the Baptist Foundation, its successors and assigns forever.

This Mortgage is executed, acknowledged and delivered to secure payment and performance of the Indebtedness, and such Indebtedness shall include the following described indebtedness and obligations of Church: (i) all principal, interest, after-default interest, charges and fees due under the Note, the original of which is maintained at the office of the Baptist Foundation, and the terms and provisions of which are incorporated herein by reference as if fully set forth herein, together with any and all extensions, renewals, modifications, rearrangements, consolidations, substitutions and changes in form thereof; and (ii) any and all future advances which may be made by Baptist Foundation under the Note; and (iii) any and all other indebtedness, of whatever kind or character, now owing or that may hereafter become owing by Church to Baptist Foundation; and (iv) any and all sums which Baptist Foundation may expend or become obligated to expend, at Baptist Foundation's option, to cure any breach or default of Church under this Mortgage, together with interest on all sums from the respective dates which Baptist Foundation may expend or become obligated to expend; and (v) any and all amounts which Baptist Foundation may expend or become obligated to expend in collecting the indebtedness secured hereby or the rents assigned to Baptist Foundation, in foreclosing the lien of this Mortgage, in exercising the power of sale remedy provided herein, in preserving or protecting any of the Property, or in pursuing or exercising any right or remedy hereunder or with respect hereto consequent upon any default of the Church hereunder, including, but not limited to reasonable attorneys' fees, court costs, abstracting expenses, receivers' fees, appraisers' fees, watchmen's fees, storage fees and other expenses reasonably incurred to protect and preserve the Property or in maintaining the priority of this Mortgage or in retaking, holding, preparing for sale or selling the Property, together with interest on all such sums from the respective dates which the Baptist Foundation may expend and (vi) all of Church's covenants and obligations under the Note, this Mortgage and the other Loan Documents.

**Document is NOT OFFICIAL!**

Covenants And Conditions

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

Black Oak Baptist Church, Inc. and Baptist Foundation covenant and agree as follows:

1. **Representations of Church.** Church represents that:

- (i) Church owns the Property in fee simple;
- (ii) Church has the right to Mortgage, grant and convey the Property;
- (iii) the Property is free and clear of all liens and encumbrances; and
- (iv) the Church will warrant and defend generally the title to the Property against all claims and demands.

2. **Performance of Terms Of Note.** Church shall perform all of the terms, conditions, and covenants contained in the Note. Church shall promptly pay the monthly installments of principal and interest when due and all other charges provided in the Note.

3. **Liens.** Church shall not permit any liens to be placed against the real property that are superior to the lien of this Mortgage and shall promptly pay off and discharge any such lien. In the event a lien superior to this Mortgage is involuntarily or by operation of law placed on the real property, the Church may contest the lien, so long as the Church contests the lien in good faith and moves expeditiously to contest the lien. If the Church is unsuccessful in removing the lien, the Church will promptly pay off and discharge such lien.



4. **Hazard Insurance.**

4.1 **Church To Maintain Insurance.** Church shall keep the improvements now existing or hereafter erected on the real property insured against loss by fire, lightning, windstorm, tornado, flood, hail, earthquake, explosion, riot, civil strife and commotion, aircraft, vehicles, smoke, vandalism, malicious mischief, and any other risk customarily insured against by churches, and such other hazards as Baptist Foundation may require. The amount of coverage shall be at least the amount of the outstanding principal balance of the indebtedness, plus any accrued interest and other costs advanced by Baptist Foundation, with an insurance company or companies acceptable to Baptist Foundation. The Church shall promptly pay all premiums when due directly to the insurance carrier. The Church shall promptly furnish to Baptist Foundation a certificate of insurance showing such insurance is in full force and effect during the term of the Note and this Mortgage.

4.2 **Form Of Policy; Mortgage Clause.** All insurance policies shall be in a form acceptable to Baptist Foundation and shall include a standard Mortgage clause in favor of the Baptist Foundation showing payment to Baptist Foundation as its interest may appear.

4.3 **Loss.** The Church shall give prompt notice to the insurance carrier and the Baptist Foundation of any damage to the Property. Baptist Foundation may make proof of loss if not made promptly by the Church. Unless the Baptist Foundation and Church otherwise agree in writing, the insurance proceeds shall be used to restore or repair the Property, provided that it is economically feasible to repair the damage and restore the Property and the security of this Mortgage is not impaired. If it is not economically feasible to restore or repair the Property, or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to the Church. If the Property is abandoned by the Church after the loss, or if the Church fails to respond to Baptist Foundation within ten (10) days from the date notice is mailed by the Baptist Foundation to the Church that the insurance carrier offers to settle a claim for insurance benefits, the Baptist Foundation is authorized to collect and to apply the insurance proceeds at the Baptist Foundation's option either to restore or repair the Property or reduce the sums secured by this Mortgage. Unless otherwise agreed to in writing, using the insurance proceeds to reduce principal shall not extend or postpone the due date of the monthly installments of principal and interest under the Note, or change the amount of such installments. If the Property is acquired by the Baptist Foundation, all right, title and interest of the Church in and to any insurance policies and proceeds shall become the Baptist Foundation's.

5. **Preservation and Maintenance of Property.** The Church shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. With respect to the Property, Church covenants and agrees to pay all taxes and assessments and other charges that may be levied or assessed upon the Property when they become due and payable; to pay all debts for repair or improvements, now existing or hereafter arising, that may become liens upon or charges against the same; to comply with or cause to be complied with all requirements of any governmental authority relating to the Property and, subject to the insurance provisions of this Mortgage, to repair, restore, replace or rebuild promptly any part of the Property which may be damaged by any casualty whatsoever or which may be affected by any condemnation proceeding or the exercise of eminent domain. Church further covenants and agrees that the Church will not demolish or alter the design or structural character of the Property or any building or other improvements now or hereafter erected thereon or fixtures therein, without the prior written consent of Baptist Foundation; nor do or permit to be done anything which will impair or weaken the security of this Mortgage; nor initiate, join in, or consent to any change in any private

restrictive covenant, zoning ordinance, or other public or private restrictions limiting or defining the uses which may be made of the Property or any part thereof.

6. **Special Covenant.** Church affirms that a material part of the consideration which caused the Baptist Foundation to make this loan is the fact that Church is an active Southern Baptist church in harmony and affiliating with a Southern Baptist Association, the State Convention of Baptists in Indiana, Inc., and the Southern Baptist Convention. The term "in harmony and affiliating with" means that the messengers of the Church will be recognized and given full voting privileges at the annual meetings of the Association to which it belongs, the State Convention of Baptists in Indiana, Inc., and the Southern Baptist Convention. In the event either (i) Church ceases to be in harmony and affiliating with the Association to which it belongs, the State Convention of Baptists in Indiana, Inc., or the Southern Baptist Convention; (ii) the Church ceases to exist; (iii) the Church's house of worship and the land upon which it is situated, and any additional property described in this Mortgage, ceases to be used as a house or place of Southern Baptist worship; or (iv) the Church's house of worship or the real property shall be sold by the Church or taken away from the Church by legal process or otherwise, without the prior written consent of the Baptist Foundation, then in each and every case the Baptist Foundation shall have the right to accelerate the maturity of the debt by declaring the entire debt to be immediately due and payable.

7. **Protection of Baptist Foundation's Security.** If the Church fails to perform the covenants and conditions of this Mortgage, or if any action or proceeding is commenced that materially affects the Baptist Foundation's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt, then the Baptist Foundation, at the Baptist Foundation's option, upon notice to the Church, may make such appearances and disburse such sums and take such action as is necessary to protect the Baptist Foundation's interest, including, but not limited to, disbursement of reasonable attorney's fees, and entry upon the Property to make repairs. Any amounts disbursed by the Baptist Foundation pursuant to this paragraph 7 shall become additional indebtedness of the Church secured by this Mortgage. Unless the Church and the Baptist Foundation agree to other terms of payment, such amounts shall be payable upon notice from the Baptist Foundation to the Church requesting payment, and shall bear interest from the date of disbursement at the rate then provided for by the Note. Nothing contained in this paragraph 7 shall require the Baptist Foundation to incur any expense or take any action to protect the Property.

8. **Inspection.** The Baptist Foundation may inspect the Property at reasonable times upon giving prior notice to the Church.

9. **Condemnation.** In the event of a total taking of the Property, the proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of all or any part of the Property, or for conveyance in lieu of condemnation, shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to the Church. In the event of a partial taking of the Property, unless Church and Baptist Foundation otherwise agree in writing, the Baptist Foundation shall receive that portion of the proceeds which is determined by multiplying the total proceeds by a fraction the numerator of which is the total of the unpaid principal of the indebtedness, accrued interest and any other sums then owing by the Church to Baptist Foundation and the denominator of which is the fair market value of the Property immediately prior to the date of taking. The Church will receive the balance of the proceeds. Unless the Baptist Foundation and the Church otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the monthly installments of principal and interest or change the amount of such installments.



10. **Forbearance by Baptist Foundation Not a Waiver.** Any election by the Baptist Foundation not to exercise any right or remedy it has shall not be a waiver of or preclude the exercise of any such right or remedy in the future.

11. **Transfer of the Real Property.** If all or any part of the real property or improvements is sold or transferred by the Church without the Baptist Foundation's prior written consent, the Baptist Foundation may, at Baptist Foundation's option, declare all the sums secured by this Mortgage to be immediately due and payable.

12. **Accelerations; Remedies.** Upon Church's breach of any covenant, term or condition in this Mortgage or in the Note, the Baptist Foundation may, at its option, declare all sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. In such event the Baptist Foundation shall be entitled to collect all expenses of foreclosure, including, but not limited to, reasonable attorney's fees, and costs of documentary evidence, abstracts and title reports. As an alternative to foreclosure, the Church authorizes the Baptist Foundation to sell the Property in accordance with the Indiana Power of Sale Mortgage Foreclosure Act (46 O.S. §40 et seq) or any other law. The Property may be sold upon such terms and in as many parcels as the Baptist Foundation may elect.

13. **Courtesy Notification Of Default.** Upon the Church's breach of any covenant, term or condition in this Mortgage or in the Note, the Baptist Foundation may notify Church in writing of such breach. If the Baptist Foundation elects to send out such a notice, the Church shall have ten (10) days to cure a breach in payment of any sum due and thirty (30) days to cure any other breach. The Church understands that the giving of such a notice is a matter of courtesy only, and that the time period to cure the default shall not prevent the Baptist Foundation from declaring default at any time and immediately accelerating the debt.

14. **Remedies Cumulative.** All remedies provided in this Mortgage are distinct 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.

15. **Church's Right to Reinstate.** The Church shall have the right to have any proceedings to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if:

- (i) the Church pays to the Baptist Foundation all sums that would be then due under this Mortgage and the Note had no acceleration occurred;
- (ii) the Church cures all other breaches of this Mortgage or of the Note;
- (iii) the Church pays all reasonable expenses incurred by the Baptist Foundation in enforcing the covenants and agreements of the Church contained in this Mortgage and in enforcing Baptist Foundation's remedies including, but not limited to, reasonable attorney's fees; and
- (iv) the Church takes such action as the Baptist Foundation may reasonably require to assure that the lien of this Mortgage shall continue unimpaired.

Upon taking such steps by the Church, this Mortgage shall remain in full force and effect as if no acceleration had occurred.

**16. Environmental Matters.**

**16.1 Definitions.** The term "contamination" shall mean the presence of solid or hazardous waste, hazardous substances, pollutants or contaminants, petroleum, toxic or hazardous constituents, asbestos, or similar materials, as such terms are defined under any federal or state or local statute or regulation, whether currently or subsequently enacted, or under common law.

**16.1 Environmental Representation.** Church represents that the Property is not currently the subject of any threatened or ongoing litigation, judgment, decree, order, citation, complaint or notice of violation relating to or arising out of environmental laws or regulations. To the best of Church's knowledge (i) the Property is free from contamination or potential contamination that could lead to the payment of damages, penalties, injunctive relief, or clean-up costs or would require clean-up, removal, or remedial action under any environmental law or regulation thereunder or common law, and (ii) the Property is in compliance with all applicable environmental laws.

**16.2 Indemnity.** The Church agrees to defend, indemnify and hold harmless the Baptist Foundation against any and all claims, actions, costs and expenses whatsoever (including, without limitation, attorneys' fees and expenses and costs reasonable incurred), known or unknown, asserted against or incurred by Baptist Foundation at any time arising out of any actual or alleged contamination of the Property, whether or not such contamination was in violation of any environmental statute or regulation. This indemnity shall survive the release of this Mortgage.

**17. Taxes.** In the event the Property is on the tax exempt property rolls, Church shall provide evidence of same to Baptist Foundation. In the event the Property is on the taxable property roll, Church hereby agrees to pay and discharge all general and special taxes, assessments, impositions and charges of every nature whatsoever that may be imposed, levied, or assessed upon or against the Property (collectively, "Taxes") as they become due and payable and to furnish to the Baptist Foundation receipts showing payment of any such Taxes if and as often as demanded by Baptist Foundation. Church hereby further agrees to pay any and all taxes which may be levied or assessed directly or indirectly upon the Indebtedness and this Mortgage, without regard to any law which may be hereafter enacted imposing payment of the whole or any part thereof upon the Baptist Foundation, its successors or assigns; and, upon violation hereof, or upon the rendering by any court of competent jurisdiction of any decision that such an agreement by a Church is legally inoperative, or if the rate of said tax added to the rate of interest provided for in the Note shall exceed the then maximum contract rate of interest, then, and in any such event, the Baptist Foundation shall have the right, at its option, to give written notice to Church requiring the payment of the entire Indebtedness, and if such notice is given, the Indebtedness, without deduction, shall become immediately due and payable, notwithstanding anything to the contrary contained in this Mortgage or in the Note; provided, however, that such payment requirement shall be ineffective if (a) the Church is permitted by law to pay the whole of such tax in addition to all other payments required hereunder, without any penalty thereby accruing to the Baptist Foundation, its successors or assigns, or the debt secured hereby, (b) Church pays such tax, and (c) Church furnishes Baptist Foundation with satisfactory evidence of payment thereof prior to the date upon which payment is required by such notice. The additional amounts which may become



due and payable hereunder shall be part of the Indebtedness. Church shall have the right to contest taxes or assessments so long as no penalty is incurred for nonpayment and no liens are filed against the Property.

18. **Estoppel Certificate.** Church, upon request made either personally or by mail, shall certify, by a writing duly acknowledged, to the Baptist Foundation or to any proposed assignee of this Mortgage, the amount of principal and interest then owing on this Mortgage and whether any offsets or defenses exist against the Indebtedness, within five (5) days in case the request is made personally, or within ten (10) days after the mailing of such request in case the request is made by mail."

19. **Mineral Interests.** Church acknowledges that any exploration or drilling for oil, gas or other minerals in, on, about, or through the Property would waste and impair the value of the Property as security for the payment of the Indebtedness, and the Church covenants and agrees that it will not explore or drill for any oil, gas or other minerals, or consent, permit, authorize or otherwise agree to any exploration or drilling of any oil, gas or other minerals in, on, or through the Property, without first obtaining from the Baptist Foundation written permission, which permission may be granted or withheld on such terms as the Baptist Foundation, in its sole subjective discretion, deems appropriate and shall not be valid until recorded. If Church or any other mineral owner, mineral lessee or other third person explores or drills or undertakes to explore or drill for any oil, gas or other minerals in, on, under or through the Property which exploration or drilling would, in the reasonable judgment of Baptist Foundation, waste or impair the value of the Property as security for the payment of the Indebtedness, then such activity shall constitute and be construed as an event of default hereunder. Regardless of whether any exploration or drilling for oil, gas, coal, metallic ores or other minerals or any geothermal substances constitutes an event of default, Church further covenants and agrees to pay over unto Baptist Foundation any and all monies, proceeds, awards or judgments received by Church representing damages or payment in lieu thereof occasioned by such exploration or drilling, which monies, proceeds, awards or judgments when received by Baptist Foundation shall be applied towards the Indebtedness.

20. **Security Agreement and Financing Statement.** This Mortgage shall also constitute, and shall be construed as, a security agreement and as a financing statement with respect to the Property, notwithstanding the execution and filing of additional financing statements covering the same Property. Baptist Foundation is authorized to file any Financing Statement, Continuation Statement, Financing Statement Amendment or other similar documents as the Baptist Foundation may deem necessary or appropriate to protect, preserve, continue, extend or maintain the security interest granted in this Mortgage and shall, upon demand, pay any and all expenses incurred by the Baptist Foundation in the preparation, execution and filing of any such documents. A carbon, photographic, photocopy or other reproduction of this Mortgage will constitute a financing statement and Church consents to the filing thereof as a financing statement.

21. **Sale of Parcels.** In case of any sale under this Mortgage, by virtue of judicial proceedings or otherwise, the Property may be sold in one parcel and as an entirety or in such parcels, manner or order as the Baptist Foundation in its sole discretion may elect.



22. **Subrogation.** If the money loaned or advanced by Baptist Foundation and secured hereby shall be used to pay off or discharge any mortgage, lien or encumbrance upon or against the Property, the Baptist Foundation, at its option, will be subrogated to all such mortgages, liens or encumbrances so discharged, satisfied or paid, even though the same may be released of record, and to all the rights of the person or persons to whom such payments have been made, and may immediately enforce the same against the Church and the Property.

23. **Indulgences, Extensions and Releases.** It is understood and agreed that at any time and from time to time, either with or without any consideration, and without notice to any person and without the consent or approval of any person or persons, and without in any manner affecting the liability of the Church or any guarantors, sureties, endorsers, or any other persons liable for the payment of the Indebtedness together with interest and any other sums which may be due and payable to the Baptist Foundation, and without in any manner affecting, disturbing or impairing in any manner whatsoever the validity and priority of the lien of this Mortgage upon that portion of the Property which is unreleased, and also without in any manner affecting or impairing to any extent whatsoever any and all other collateral security which may be held by Baptist Foundation, the Baptist Foundation may at its sole subjective discretion: (i) grant to the Church any indulgence, forbearance or any extension of time for the payment of any of the Indebtedness, and may agree to a modification in the terms of the Note and this Mortgage; (ii) allow any change, addition or substitution of or for any of the property described in this Mortgage or other collateral which may be held by Baptist Foundation; (iii) release or otherwise deal with all or any portion of the Property or any other real or personal property or portion thereof which may be held by Baptist Foundation as security for the payment of the Indebtedness; (iv) release the Church or any guarantors, sureties, endorsers or any other persons now or hereafter liable for the payment of all or any part of the Indebtedness or liable for the performance of any obligation; and/or (v) exercise or refrain from exercising or waive any right or remedy available to Baptist Foundation.

None of the foregoing will impair or affect the lien of this Mortgage or the priority of such lien over any subordinate lien covering the Property. Further, any agreement or stipulation between any subsequent owner or owners of the Property and the Baptist Foundation which extends the time of payment or which modifies the terms of the Note or this Mortgage, without Baptist Foundation first having obtained the consent of the Church, shall not constitute a release of Church or any guarantors, sureties, endorsers or any other persons liable for the payment of the Indebtedness, and the Church and all such other persons shall continue liable to make such payments according to the terms of any such agreement or extension or modification unless expressly released and discharged in writing by the Baptist Foundation.

24. **No Waivers.** Any failure by the Baptist Foundation to insist upon the strict performance by the Church of any of the terms and provisions of this Mortgage shall not be deemed to be a waiver of any of the terms and provisions of this Mortgage, and the Baptist Foundation, notwithstanding any such failure, shall have the right thereafter to insist upon the strict performance by the Church of any and all of the terms and provisions of this Mortgage to be performed by the Church. Further, no delay by Baptist Foundation in exercising any of its rights or remedies hereunder, or otherwise afforded by law, shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any default hereunder.

25. **Demands For Foreclosure.** Neither the Church nor any other person now or hereafter obligated for the payment of the whole or any part of the Indebtedness secured by this Mortgage shall be relieved of such obligation by reason of the failure of the Baptist Foundation to comply with any request of the Church or of any other person so obligated to take action to

foreclose this Mortgage or otherwise enforce any of the provisions of this Mortgage or of any obligations secured by this Mortgage.

26. **Other Security.** If the payment of the Indebtedness is now or hereafter further secured by assignments of leases or rentals, security agreements, financing statements, mortgages, collateral assignments, pledges, contracts of guaranty, or other additional security documents, any default under the provisions of any such further security documents shall constitute and be a default under this Mortgage, and the Baptist Foundation may, at its option, exhaust its remedies under any one or more of the said security documents and the security thereunder, as well as the Property, either concurrently or independently and in such order and manner as the Baptist Foundation may elect, and Baptist Foundation may apply the proceeds received therefrom upon the Indebtedness without waiving or affecting Baptist Foundation's rights and remedies under this Mortgage or exercised hereunder or whether contained or exercised under any other such security documents.

27. **Change of Ownership.** If ownership of the Property or any portion thereof becomes vested in a person or persons other than Church, the Baptist Foundation may deal with such successor or successors in interest with reference to this Mortgage and the Indebtedness in the same manner as with the Church, provided, however, nothing contained in this paragraph shall constitute or be construed as Baptist Foundation's consent to or approval of any change in ownership of the Property or any part thereof.

28. **Payment by Others.** Any payment made by any person at any time liable for the payment of the whole or any part of the Indebtedness or by any person whose interest in the Property might be prejudiced in the event of a failure to make such payment, or by any stockholder, officer or director of a corporation or any partner of a partnership or trustee or beneficial owner of a trust which at any time might be liable for such payment or might own an interest in the Property, will be deemed, as between the Baptist Foundation and all persons who at any time might be liable as aforesaid or might own an interest in the Property, to have been made on behalf of the Church.

29. **Late Charge.** Church agrees to pay to the Baptist Foundation any and all late charges which may become due and payable under the Note as a result of Church's failure to timely pay any installment of principal and/or interest which may become due and payable thereunder for the purpose of covering the extra expenses incurred by Baptist Foundation in handling delinquent installments.

30. **Application of Income.** Except for the full and timely payment of principal and interest installments due under the Note, which shall be applied to the Indebtedness pursuant to the terms of the Note as long as no event of default has occurred, any and all other payments to Baptist Foundation by Church or any other individual or entity, any insurance proceeds as a result of casualty or any payment for taking by power of eminent domain or deed in lieu thereof, any income from the Property received by Baptist Foundation or any other sum whatsoever which Baptist Foundation receives and is entitled to retain for application to the Indebtedness, may be applied by Baptist Foundation to such part of the Indebtedness as may be selected by Baptist Foundation, in its sole subjective discretion, and in such order and priority as Baptist Foundation may determine, in its sole subjective discretion.

31. **Release.** Upon payment of all sums secured by this Mortgage, the Baptist Foundation shall release this Mortgage without charge to Church.



32. **Waiver of Appraisal.** Appraisal of the Property is hereby waived or not waived at Baptist Foundation's option, which shall be exercised at the time judgment is rendered in any foreclosure hereof.

33. **Further Agreements.** Any agreement hereinafter made by Church and Baptist Foundation in regard to this Mortgage, including a restructuring of the payment of the indebtedness, shall be superior to the rights of the holder of any intervening lien or encumbrance.

34. **Amendment.** This Mortgage cannot be changed except by an agreement in writing signed by both parties.

35. **Successors and Assigns Bound.** The terms of this Mortgage shall bind the successors and assigns of the Baptist Foundation and the Church.

36. **Captions.** The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

37. **Notices.** All notices, requests and demands will be served by hand delivery, facsimile transmission, or registered mail as follows:

Church:

Black Oak Baptist Church, Inc.  
6502 W. 25<sup>th</sup> Avenue  
Gary, Indiana 46406

Baptist Foundation:

The Baptist Foundation of Indiana  
ATTN: President

Baptist Foundation of Indiana  
3021 E. 71<sup>st</sup> Street  
Indianapolis, IN 46220  
(317) 204-7904 fax  
jcoker@inbaptistfoundation.org

All notices shall be deemed to be delivered when hand delivered, received by facsimile transmission, or when deposited in the United States Mail, postage prepaid. Either party may change its address by giving notice to the other party.

38. **Governing Law.** This Mortgage shall be governed by the law of the State of Indiana.

39. **Jurisdiction and Venue.** All actions or proceedings with respect to this Mortgage may be instituted in any state or federal court having the Property within its judicial district, as Baptist Foundation may elect, and by execution and delivery of this Mortgage, Church irrevocably and unconditionally submits to the nonexclusive jurisdiction (both subject matter and person) of each such court and irrevocably and unconditionally waives (i) any objection that Church may now or hereafter have to the laying of venue in any of such courts, and (ii) any claim that any action or proceeding brought in any such court has been brought in an inconvenient forum.

40. **Severability.** In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note that can be given effect without the conflicting provision, and to this end the provisions of the Mortgage and the Note are declared to be severable.

41. **Mortgage and Note Approved by Church.** This Mortgage and the Note is executed by virtue of a resolution passed by Church, at a duly called church business conference held on the September 6, 2015, which resolution is of record upon the minutes of the Church.

42. **Relationship of the Parties.** This Mortgage is given as an incident to a lending transaction between Baptist Foundation and Church, and in no event shall the Baptist Foundation be construed or held to be a partner, joint venture or associate of the Church in the conduct of the business of Church on or about the Property or otherwise, nor shall Baptist Foundation be liable for any debts or obligations incurred by Church in the conduct of such business, it being understood and agreed that the relationship of the parties is and at all times shall remain that of lender and borrower.

43. **Cumulative Remedies.** The rights of the Baptist Foundation arising under the representations, warranties, covenants and agreements contained in this Mortgage shall be separate, distinct and cumulative and none of them shall be in exclusion of the others; and no act of the Baptist Foundation shall be construed as an election to proceed under any one provision herein to the exclusion of any other provisions, anything herein or otherwise to the contrary notwithstanding.

44. **Construction.** Whenever used in this Mortgage, the singular will include the plural, the plural the singular, and the use of any gender will be applicable to all genders.

45. **Binding Effect.** All of the covenants, conditions and agreements contained in this Mortgage shall run with the land and shall bind the Church, and the respective successors and assigns of the Church, and shall inure to the benefit of the Baptist Foundation and its successors and assigns.

46. **Compliance With Applicable Laws.** Church represents and warrants that (a) the improvements on the Property are structurally sound, (b) the operation of the Property complies with all applicable zoning, environmental protection or control codes and all aviation, airport, fire, electrical and building codes, rules and regulations; and (c) there is no license, approval or permit, necessary for either the lawful operation of the Property or the lawful occupancy thereof, including, without limitation, aviation-related, utility, building, zoning, subdivision control, land and water use, environmental protection and flood hazard permits, which has not been obtained. Further, Church warrants, covenants and agrees that (a) Church shall keep the improvements on the Property structurally sound and in good repair throughout the term of the Note; (b) the operation of the Property shall comply with all applicable zoning, environmental protection or control codes and all aviation, airport, fire, electrical and building codes, rules and regulations throughout the term of the Note; and (c) Church shall at all times throughout the term of the Note hold all licenses, approvals and permits, necessary for either the lawful operation of the Property or the lawful occupancy thereof, including, without limitation, all aviation-related, utility, building, zoning, subdivision control, land and water use, environmental protection and flood hazard permits which are in any way required for lawful operation of the Property or the lawful occupancy thereof.



