

14

Tax Parcel No.

Prepared by/Return to:

TF Investment Fund II, LLC
2167 East 21st Street
Brooklyn, New York 11229

2020-063693

2020 Sep 14 8:54 AM

STATE OF INDIANA
LAKE COUNTY
FILED FOR RECORD
MICHAEL B BROWN
RECORDER

MORTGAGE, ASSIGNMENT OF RENTS,

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SECURITY AGREEMENT AND FIXTURE FILING

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THIS MORTGAGE, ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (this "Mortgage") is made this September 10, 2020, between Heritage Real Estate Services, Inc, a(n) Indiana corporation (the "Borrower"), and TF Investment Fund II, LLC, a(n) Delaware limited liability company, with an address of 2167 E 21st St #222, Brooklyn, NY 11229, USA (the "Lender").

WHEREAS, the Borrower is indebted to the Lender in the principal sum of SEVENTY SIX THOUSAND SEVEN HUNDRED NINETY FIVE DOLLARS AND NO CENTS (\$76,795.00), together with interest thereon at an interest rate of interest per month equal to 1.00, as evidence by that that certain Secured Promissory Note, dated of even date herewith (the "Note"), in the original principal amount of \$76,795.00, which provides for payment of the principal sum, with interest thereon, at the times and in the manner provided for therein.

NOW, THEREFORE, in order to secure to the Lender the repayment of the indebtedness evidenced by the Note, with interest thereon, the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage, and the performance of the covenants and agreements of the Borrower herein contained, the Borrower does hereby mortgage, grant and convey to the Lender the property located at 4041 Pennsylvania Street, in the City of Gary, Lake County and the State of Indiana as more fully described on Exhibit A hereto, to wit:

SEE THE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT "A".

TOGETHER WITH all of the improvements now or hereafter erected on the said lands and premises, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the said lands and premises, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the collateral encumbered by this Mortgage, all of which are hereinafter referred to collectively as the "Property".

BSS

MORTGAGE

4041 Pennsylvania St, Gary, IN 46409

Page 1 of 8

JTB

INDIANA TITLE NETWORK COMPANY
325 NORTH MAIN 20-63093
CROWN POINT, IN 46307

#2977

The Borrower covenants that the Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property, that the Property is unencumbered by any lien or encumbrance of a priority superior to the lien of this Mortgage, and that the Borrower will warrant and defend generally the title to the Property against all claims and demands, subject to any declarations, easements or restrictions listed in a schedule of exceptions to coverage in any title insurance policy insuring the Lender's interest in the Property.

UNIFORM COVENANTS. The Borrower and the Lender covenant and agree as follows:

(1) Payment of Principal and Interest. The Borrower shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any future advances secured by this Mortgage.

(2) Application of Payments. Unless otherwise provided by applicable law, all payments received by the Lender under the Note and paragraph (1) hereof shall be applied by the Lender first to interest payable on the Note, then to the reduction of the principal balance of the Note.

(3) Charges; Liens. The Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any, by the Borrower making payment, when due, directly to the payee thereof. The Borrower shall promptly furnish to the Lender receipts evidencing such payments. The Borrower shall promptly discharge any lien which has priority over this Mortgage; provided, that the Borrower shall not be required to discharge any such lien so long as the Borrower shall agree in writing to the payment of the obligation secured by such lien in a manner acceptable to the Lender, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.

(4) Hazard Insurance. The Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as the Lender may require and in such amounts and for such periods as the Lender may require; provided, that the Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by the Borrower subject to approval by the Lender; provided, that such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid by the Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to the Lender and shall include a standard mortgagee clause in favor of and in form acceptable to the Lender. The Lender shall have the right to hold the policies and renewals thereof, and the Borrower shall promptly furnish to the Lender all renewal notices and all receipts of paid premiums. In the event of loss, the Borrower shall give prompt notice to the insurance carrier and the Lender. The Lender may make proof of loss if not made promptly by the Borrower.

Unless the Lender and the Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of damage to the Property, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible 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 Borrower. If any of the Property is abandoned by the Borrower, or if the Borrower fails to respond to the Lender within 30 days from the date notice is mailed by the Lender to the Borrower that the insurance carrier offers to settle a claim for insurance benefits, the Lender is authorized to collect and

apply the insurance proceeds at the Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless the Lender and the Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in paragraph (1) hereof or change the amount of such installments. If under paragraph (17) hereof the Property is acquired by the Lender, all right, title and interest of the Borrower in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property shall pass to the Lender to the extent of the sums secured by this Mortgage.

(5) Preservation and Maintenance of the Property. The Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property.

(6) Protection of the Lender's Security. If the Borrower fails to perform the covenants contained in this Mortgage, or if any action or proceeding is commenced which materially affects the Lender's interest in the Property, including but not limited to eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then the Lender, at its option, upon notice to the Borrower, may make such appearances on behalf of the Lender or the Borrower, disburse such sums, and take such other actions as may be necessary to protect the interest of Mortgagee created hereby, including but not limited to payment of mechanic's liens, taxes, municipal claims, and any other charges which may be legally assessed against said premises, insurance premiums, costs of repairs, expenses, reasonable attorney's fees, and the entry upon said premises to make such repairs and otherwise protect said premises.

Any amounts disbursed by the Lender pursuant to this paragraph (6), with interest thereon, shall become additional indebtedness of the Borrower secured by this Mortgage. Unless the Borrower and the Lender agree to other terms of payment, such amounts shall be payable upon notice from the Lender to the Borrower requesting payment thereof, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this paragraph (6) shall require the Lender to incur any expense or take any action hereunder.

(7) Inspection. The Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that the Lender shall give the Borrower notice prior to any such inspection specifying reasonable cause therefor related to the Lender's interest in the Property.

(8) Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to the Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to the Borrower. In the event of a partial taking of the Property, unless the Borrower and the Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to the Borrower. Fair market value shall be determined by the average of two appraisals, one of which will be obtained by the Borrower and one by the Lender.

If any part of the Property is abandoned by the Borrower, or if, after notice by the Lender to the Borrower that the condemner offers to make an award or settle a claim for damages, the Borrower fails to respond to the Lender within 30 days after the date such notice is mailed, the Lender is authorized to

collect and apply the proceeds, at its option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

Unless the Lender and the Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of the installments referred to in paragraph (1) hereof or change the amount of such installments.

(9) Borrower Not Released. Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by the Lender to any successors in interest of the Borrower shall not operate to release, in any manner, the liability of the original Borrower and/or its successors in interest. The Lender shall not be required to commence proceedings against such successor or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Mortgage by reason of any demand made by the original Borrower and/or its successors in interest.

(10) Forbearance by the Lender Not a Waiver. Any forbearance by the Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by the Lender shall not be a waiver of the Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

(11) Remedies Cumulative. All remedies provided by 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.

(12) Successors and Assigns Bound; Joint and Several Liability; Captions. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of the Lender and the Borrower. All covenants and agreements of the Borrower shall be joint and several. 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.

(13) Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to the Borrower provided for in this Mortgage shall be given by mailing such notice by certified mail addressed to the Borrower at the Property address or at such other address as the Borrower may designate by notice to the Lender as provided herein, and (b) any notice to the Lender shall be given by certified mail, return receipt requested, to the Lender's address stated herein or to such other address as the Lender may designate by notice to the Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to the Borrower or the Lender when given in the manner designated herein.

(14) Uniform Mortgage; Governing Law; Severability. This form of Mortgage combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property. This Mortgage shall be governed by the law of the jurisdiction in which the Property is located. 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 which can be given effect without the conflicting provisions, and to this end the provisions of the Mortgage and the Note are declared to be severable.

(15) Borrower's Copy. The Borrower shall be furnished a conformed copy of the Note and this Mortgage at the time of execution or after recordation hereof.

(16) Reserved.

NON-UNIFORM COVENANTS. The Borrower and the Lender further covenant and agree as follows:

(17) Transfer of the Property; Assumption. If all or any part of the Property or an interest therein is sold or transferred by the Borrower (or any direct or indirect interest in the Borrower is sold or transferred) without the Lender's prior written consent, the Lender may, at its option, declare all the sums secured by this Mortgage to be immediately due and payable. The Lender shall have waived such option to accelerate if, prior to the sale or transfer, the Lender and the person to whom the Property is to be sold or transferred reach an agreement in writing that the credit of such person is satisfactory to the Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as the Lender shall request. If the Lender has waived the option to accelerate provided in this paragraph (17) and if the Borrower's successor in interest has executed a written assumption agreement accepted in writing by the Lender, the Lender shall release the Borrower from all obligations under this Mortgage and the Note.

If the Lender exercises such option to accelerate, the Lender shall mail the Borrower notice of acceleration in accordance with paragraph (13) hereof. Such notice shall provide a period of not less than thirty (30) days from the date the notice is mailed within which the Borrower may pay the sums declared due. If the Borrower fails to pay such sums prior to the expiration of such period, the Lender may, without further notice or demand on the Borrower, invoke any remedies permitted by paragraph (18) hereof.

(18) Acceleration Remedies. Upon the Borrower's breach of any covenant or agreement of the Borrower in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, the Lender prior to acceleration shall mail notice to the Borrower as provided in paragraph (13) hereof, if the Lender is enforcing any of its rights expressly contained herein, specifying: (a) the breach; (b) the action required to cure such breach; (c) a date not less than ten (10) days if the breach is non-payment of any sums due hereunder, otherwise, thirty (30) days from the date the notice is mailed to the Borrower, by which such breach must be cured; and (d) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. If the breach is not cured on or before the date specified in the notice, the Lender at its option may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. The Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees up to twenty percent (20%) of the amount decreed for principal and interest, which fee shall be allowed and paid as part of the decree of judgment in such proceeding, together with the cost of abstracts, title reports and documentary evidence.

(19) Assignment of Rents; Appointment of Receiver. As additional security hereunder, the Borrower hereby assigns to the Lender the rents of the Property; provided, that the Borrower shall, prior to acceleration under paragraph (18) hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration under paragraph (18) hereof or abandonment of the Property, the Lender shall be entitled to have a receiver appointed by a court to enter upon, take possession of and manage the Property and to collect the rents of the Property, including those past due. All rents collected by the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this Mortgage. The receiver shall be liable to account only for those rents actually received.

(20) Release. Subject to paragraph (22) hereof, upon payment of all sums secured by this Mortgage, the Lender shall release this Mortgage. The Borrower shall pay all costs of recordation, if any.

(21) Grant of Security Interest. Borrower grants to Lender a security interest in, and pledges and assigns to Lender, all of Borrower's right, title and interest now or hereafter acquired in and to all of the following described personal property (collectively, the "Personalty"):

(a) All tangible personal property of every kind and description, whether stored on the Property or elsewhere, including, without limitation, all goods, materials, supplies, tools, books, records, chattels, furniture, fixtures, equipment, and machinery, and which in all cases is (i) used or useful or acquired in connection with any construction undertaken on the Property or the maintenance of the Property (including the improvements thereto), or (ii) affixed or installed, or to be affixed or installed, in any manner on the Property (including the improvements thereto);

(b) All water and water rights (whether riparian, appropriative, or otherwise, and whether or not appurtenant to the Property) and shares of stock pertaining to such water or water rights, ownership of which affect the Property; and all architectural and engineering plans, specifications and drawings, and as-built drawings which arise from or relate to the Property (including the improvements thereto);

(c) All general intangibles and rights relating to the Property, including, without limitation, all permits, licenses and claims to or demands for the voluntary or involuntary conversion of any of the Property (including the improvements thereto), or other Property into cash or liquidated claims, proceeds of all present and future fire, hazard or casualty insurance policies, whether or not such policies are required by Lender, and all condemnation awards or payments now or later to be made by any public body or decree by any court of competent jurisdiction for any taking or in connection with any condemnation or eminent domain proceeding, and all causes of action and their proceeds for any breach of warranty, misrepresentation, damage or injury to, or defect in, the Property (including the improvements thereto) or any part of it;

All substitutions, replacements, additions, accessions and proceeds for or to any of the foregoing, and all books, records and files relating to any of the foregoing, including, without limitation, computer readable memory and data and any computer software or hardware reasonably necessary to access and process such memory and data.

(22) Non-Merger. In the event the Lender shall acquire fee title to the Property by conveyance from the Borrower or as a result of a foreclosure proceeding, this Mortgage shall not merge into the fee estate of the Property. Instead, it shall remain and continue as an existing and enforceable lien for the liabilities secured hereby until the same shall be discharged by the Lender through a recorded instrument.

(23) Sealed Instrument. This Mortgage is executed as and shall have the effect of a sealed instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has authorized this Mortgage to be executed by its members and its seal to be hereunto affixed the day and year first above written.

Signed, Sealed and
Delivered in the Presence of: Bianka Henderson

Heritage Real Estate Services, Inc, a(n) Indiana corporation

Witness Name: _____ By: Bianka Henderson (SEAL)
Title: President

STATE OF In
SS:
COUNTY OF Lake

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BE IT REMEMBERED, that on this 12 day of Sept, 2020, personally came before me, the Subscriber, a Notary Public for the State and County aforesaid, Bianka Henderson, being a member of Heritage Real Estate Services, Inc, a limited liability company of the State of In, party to this Mortgage, being first duly sworn, did acknowledge this Mortgage to be [HIS/HER] voluntary act and deed, and the duly authorized act and the deed of the said limited liability company; that the signature is in [HIS/HER] own proper handwriting; and that the act of signing, sealing, acknowledging and delivering the said Mortgage was first duly authorized by consent of all of the Members of the said limited liability company.

GIVEN under my Hand and Seal of Office, the day and year aforesaid.


Jolene Kratochvil
Notary Public

11-13-21

Date Commission expires



Witness' Signature:

Donna Dyer

Witness' Printed Name:

Donna Dyer

STATE OF INDIANA)
) SS:
COUNTY OF LAKE)

Before me, a Notary Public in and for said County and State, personally appeared Donna Dyer (Witness) being known to me to be the person whose name is subscribed as a witness to the foregoing instrument, who, being duly sworn by me, deposes and says that the foregoing instrument was executed and delivered by Balka Henderson Heritage R & Sons Inc in the above-named subscribing witness's presence, and that the above-named subscribing witness is not a party to the transaction described in the foregoing instrument and will not receive any interest in or proceeds from the property that is the subject of the transaction.

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Witness my hand and Notarial Seal this 10 day of Sept, 2020.

My Commission Expires: 11-13-21

Jolene Kratochvil
Notary Public Signature
Jolene Kratochvil
Printed Name
County of Residence: Lake
Commission No. 648497

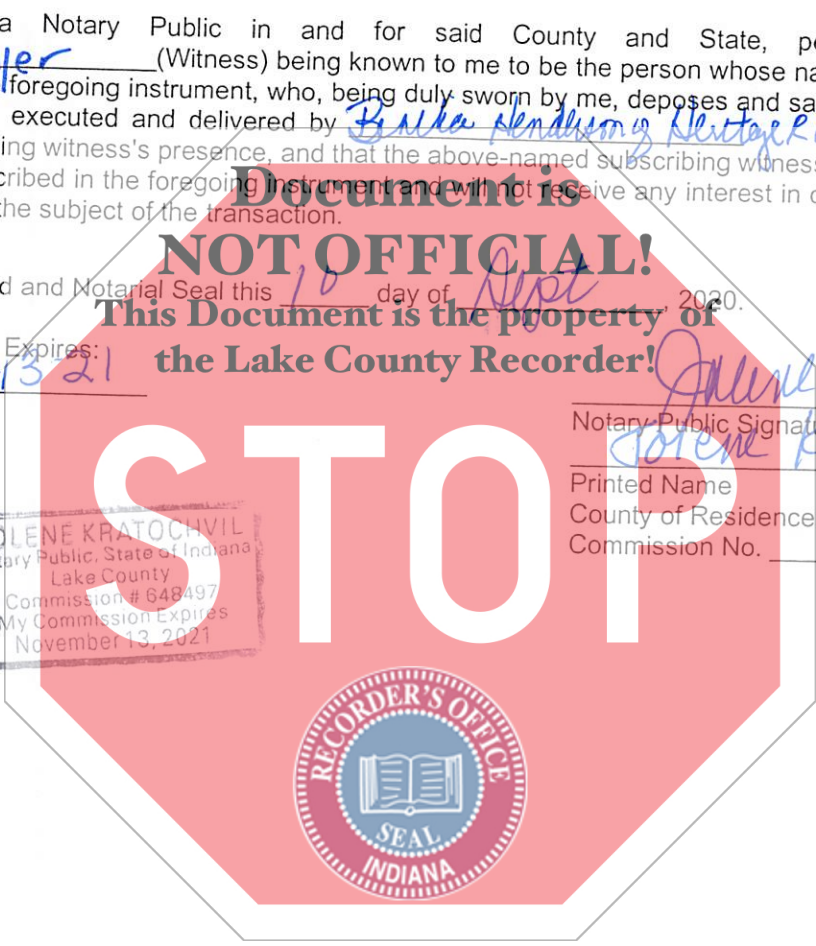


EXHIBIT "A"



Tax Parcel No.

Prepared by/Return to:

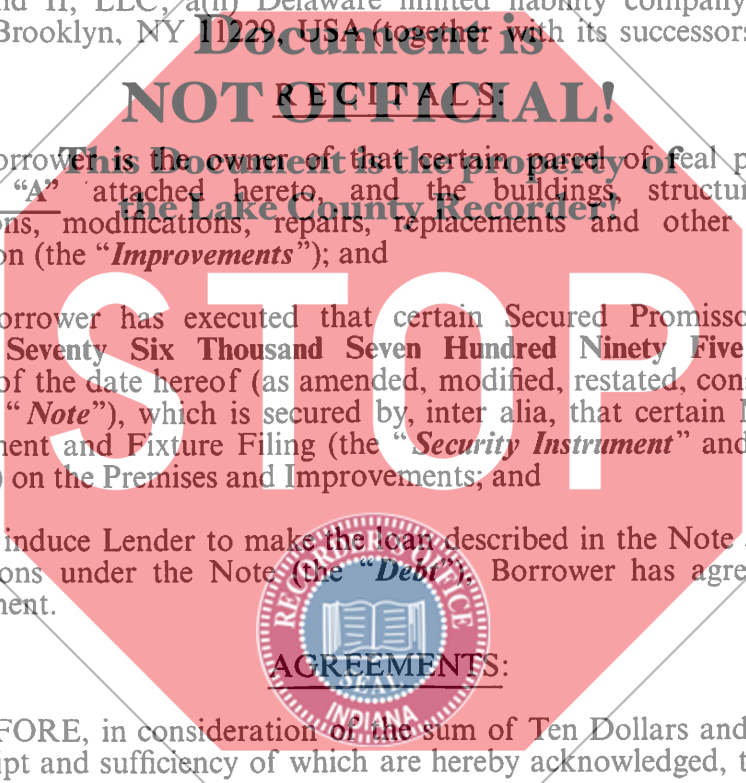
TF Investment Fund II, LLC

2167 East 21st Street

Brooklyn, New York 11229

ASSIGNMENT OF AGREEMENTS, LICENSES, PERMITS AND CONTRACTS

This ASSIGNMENT OF AGREEMENTS, LICENSES, PERMITS AND CONTRACTS (this "Assignment"), is given as of September 10, 2020, by Heritage Real Estate Services, In, a(n) Indiana corporation, having an address of 25 W 80th Pl #317, Merrillville, IN 46410, USA ("Borrower"), to TF Investment Fund II, LLC, a(n) Delaware limited liability company, with an address of 2167 E 21st St #222, Brooklyn, NY 11229, USA (together with its successors and assigns, "Lender").



WHEREAS, Borrower is the owner of that certain parcel of real property (the "Premises") described in Exhibit "A" attached hereto, and the buildings, structures, fixtures, additions, enlargements, extensions, modifications, repairs, replacements and other improvements now or hereafter located thereon (the "Improvements"); and

WHEREAS, Borrower has executed that certain Secured Promissory Note in an original principal amount of **Seventy Six Thousand Seven Hundred Ninety Five Dollars and No Cents (\$76,795.00)**, dated as of the date hereof (as amended, modified, restated, consolidated or supplemented from time to time, the "Note"), which is secured by, inter alia, that certain Mortgage, Assignment of Rents, Security Agreement and Fixture Filing (the "Security Instrument" and together with the Note, the "Loan Documents") on the Premises and Improvements; and

WHEREAS, to induce Lender to make the loan described in the Note and to secure satisfaction of Borrower's obligations under the Note (the "Debt"), Borrower has agreed to the execution and delivery of this Assignment.

NOW, THEREFORE, in consideration of the sum of Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Borrower hereby absolutely grants a first lien on and security interest in, and hereby assigns, transfers and sets over to Lender as additional security for the Debt, all of the Borrower's right, title and interest in and to the following:

(a) all of Borrower's right, title and interest in, to and under the documents, contracts, instruments, plans, permits, licenses, approvals, applications, trade names, insurance policies, equipment leases, purchase and sale agreements, environmental indemnification agreements, property management agreements, asset management agreements, development agreements and other instruments described or existing with respect to the Premises, and any amendments or modifications thereto, any replacements thereof executed during the term of the Note and any other similar documents or instruments with respect to the Premises, now in existence or hereafter executed by Borrower or now in the possession of Borrower or hereafter obtained by Borrower (collectively, the "Documents");

(b) all rights, powers, privileges, claims, remedies and causes of action of every kind which Borrower now has or may in the future have with respect to or by reason of its interest in the Documents; and

(c) any and all proceeds (including non-cash proceeds) of any of the foregoing (the items enumerated in the preceding Subsections (a) and (b) and in this Subsection (c) being hereinafter collectively referred to as the "*Collateral*").

2. This Assignment is given to secure the Debt. The parties intend that this Assignment shall be a present, actual, absolute and unconditional assignment and shall, immediately upon execution, give Lender the right to assume Borrower's interest in the Collateral; provided, however, that so long as no Event of Default (as defined in the Note) shall have occurred and be continuing, Borrower shall have a license to utilize the Collateral in accordance with the terms thereof. If an Event of Default shall have occurred and be continuing, Borrower's license mentioned in the immediately preceding sentence shall cease and terminate, without the execution of any further instrument or document or the taking of any other act on the part of Lender, and in such event, Lender shall be entitled to utilize the Collateral in Borrower's place and stead, in the name of Borrower or otherwise, and in furtherance thereof, Lender may enter upon the Premises and take possession of the Premises by its officers, agents or employees, or by a court-appointed receiver, and for the operation, protection, repair and maintenance of the Premises, and in connection therewith, Lender shall be entitled to take possession of and use all books of account and financial records of Borrower and its property managers or representatives relating to the Premises.

3. Neither this Assignment nor any action or inaction on the part of Lender shall constitute an assumption on the part of Lender of any duty or obligation with respect to the Collateral, nor shall Lender have any duty or obligation to make any payment to be made by Borrower under the Collateral, or to present or file any claim, or to take any other action to collect or enforce the payment of any amounts or the performance of any obligations which have been assigned to Lender or to which it may be entitled hereunder at any time or times. No action or inaction on the part of Lender shall adversely affect or limit in any way the rights of Lender hereunder or under the Collateral, and Lender shall not incur any liability on account of any action taken (or not taken) by it or on its behalf in connection with the Collateral in good faith, whether or not the same shall prove to be improper, inadequate or invalid, in whole or in part.

4. Borrower shall indemnify and hold Lender harmless from and against any and all liabilities, losses and damages which Lender may incur by reason of this Assignment and any actions of Lender taken (or not taken) in connection with the Collateral, and from and against any and all claims and demands whatsoever which may be asserted against Lender by reason of any alleged obligations to be performed or discharged by Lender by reason of this Assignment, and the amount thereof, including reasonable costs, expenses and attorneys' fees and disbursements, together with interest on such amount, at the rate of interest from time to time applicable to the Note from the date such costs, expenses and fees were paid by Lender to the date of payment thereof to Lender by Borrower, shall be secured hereby and by the other Loan Documents, and Borrower shall reimburse Lender therefor within twenty (20) days after demand, and upon the failure of Borrower to do so, the same shall be deemed an Event of Default for which Lender shall be entitled to exercise any and all rights and remedies provided in the Loan Documents or at law or in equity; provided, however, that in no event shall Borrower be required to indemnify or hold harmless Lender for any liabilities, losses or damages resulting from Lender's bad faith, gross negligence or willful misconduct. It is further understood that this Assignment shall not operate to constitute Lender as a lender in possession of the Premises, or to place responsibility for the control, care, management or repair of the Improvements upon Lender, nor shall it operate to make Lender responsible or liable (as to Borrower) for any waste committed with respect to the Premises and/or the Improvements by any party, or for any Hazardous Substances placed upon or found at the Premises, or for any dangerous or defective condition of the Improvements or for any negligence in the management, up-keep, repair or control of the Improvements resulting in loss, injury, death or damage to any contractor, sub-contractor, licensee, invitee, employee, or other party, or for any other thing or matter whatsoever.

5. Borrower shall remain liable to, and shall, perform all of its obligations under the Loan Documents and shall, at its sole cost and expense, enforce the Loan Documents in a commercially

reasonable manner and comply in all material respects with all of its obligations under the Loan Documents and all the terms thereof. Borrower shall give Lender prompt notice of any material default by any party under the Documents. So long as (i) Borrower is acting in the ordinary course of business, and (ii) no Event of Default exists, except as otherwise provided in the Loan Documents, Borrower may alter, amend, extend, modify, change, cancel or terminate any of the Loan Documents, provided that such alterations, amendments, extensions, modifications, changes, cancellations and terminations, taken as a whole, are not likely to result in a material adverse effect, and, except as otherwise provided in the other Loan Documents, Borrower may enter into new Documents on commercially reasonable terms without Lender's prior written consent in each instance; provided, however, that Borrower shall provide Lender with copies of any such alterations, amendments, extensions, modifications, changes, cancellations, and terminations of the Loan Documents upon request of Lender unless otherwise required to be provided pursuant to the other Loan Documents.

6. Upon the occurrence and during the continuance of an Event of Default, Lender shall be entitled to all of the rights, remedies, powers and privileges available to a secured party under the Uniform Commercial Code in any jurisdiction whose laws may apply and this Assignment shall constitute a direction to and full authority to any person or entity which has contracted with or is a party to any of the Loan Documents (collectively, the "*Contracting Parties*", and individually, a "*Contracting Party*") to perform its obligations under the Loan Documents for the benefit of Lender without proof to any Contracting Party of the default of Borrower. In addition, Borrower agrees that it shall, promptly upon request of Lender following such Event of Default, execute and deliver notices to the Contracting Parties directing that future performance of such Contracting Parties' obligations be made at the direction of Lender. Borrower hereby irrevocably authorizes each of the Contracting Parties to rely upon and comply with any notice or demand by Lender for the performance by any such Contracting Party of its obligations under any Document for the benefit of Lender, and no Contracting Party shall have any right or duty to inquire whether an Event of Default has actually occurred, and Borrower shall have no right to countermand its authorization herein to the Contracting Parties to perform for the benefit of Lender.

7. Borrower represents and warrants that it has full right, power and authority to assign the Collateral assigned hereby, subject to the terms thereof, and that (a) the Loan Documents in existence on the date hereof, are in full force and effect in accordance with their respective terms, (b) Borrower has delivered to Lender true and complete copies of the Loan Documents in existence as of the date hereof, (c) except for previous assignments that have been released on or before the date hereof, neither the Collateral nor any part thereof has been assigned, pledged or encumbered by Borrower except pursuant to this Assignment and the other Loan Documents (and except as otherwise permitted thereby), (d) to the best of such Borrower's knowledge and belief, no default or event of default by any party which remains uncured beyond the expiration of any applicable grace or notice period has occurred and is continuing under any Document, (e) to the best of such Borrower's knowledge and belief, none of the Contracting Parties has any defense, set-off or counterclaim against Borrower to the performance of any obligations of such respective Contracting Party and (f) its principal place of business is its address for notices as set forth in the Note.

8. Borrower, at its expense, shall execute and deliver all such instruments and take all such action as Lender, from time to time, may reasonably request in order to obtain the full benefits of this Assignment and of the rights and powers herein created and to maintain and perfect the security interest granted in this Assignment. To the extent permitted by law, Borrower irrevocably authorizes Lender, at the expense of Borrower, to file financing statements and continuation statements with respect to the Collateral without the signature of Borrower.

9. Wherever there is any conflict or inconsistency between any terms or provisions of this Assignment and the Note, the terms and provisions of the Note shall control.

10. All rights and remedies herein conferred may be exercised whether or not foreclosure proceedings are pending under the Security Instrument or any other action or proceeding has been commenced under any of the other Loan Documents. Lender shall not be required to resort first to the security of this Assignment before resorting to the security of the Security Instrument or any of the other Loan Documents and Lender may exercise the security hereof or thereof concurrently or independently and in any order of preference.

11. This Assignment shall automatically terminate (and the Collateral reassigned to Borrower) upon (i) payment in full of the Debt, or (ii) recording of a valid instrument satisfying or releasing the Security Instrument of record.

12. All notices, demands, consents, or requests which are either required or desired to be given or furnished hereunder shall be sent and shall be effective in the manner set forth in the Note.

13. The provisions of this Assignment shall be binding upon Borrower, its successors and assigns, and all persons claiming under or through Borrower or any such successor or assign, and shall inure to the benefit of and be enforceable by Lender and its successors and assigns.

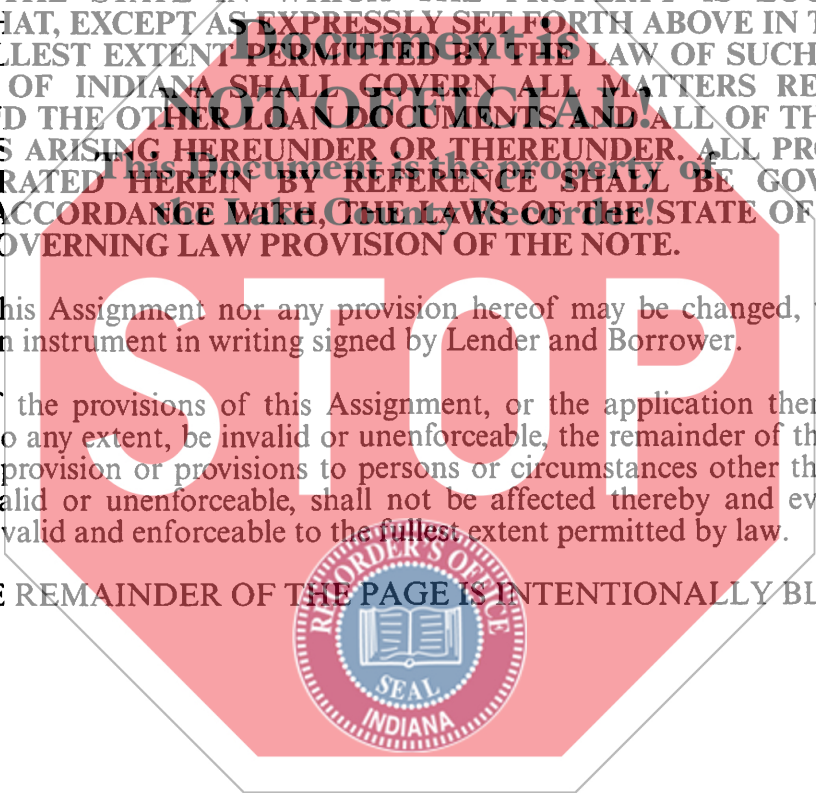
14. This Assignment shall constitute a security agreement for all purposes under the Uniform Commercial Code as in effect in the state where the Premises are located.

15. WITH RESPECT TO MATTERS RELATING TO THE CREATION, PERFECTION AND PROCEDURES RELATING TO THE ENFORCEMENT OF THIS ASSIGNMENT, THIS ASSIGNMENT SHALL BE GOVERNED BY, AND BE CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE IN WHICH THE PROPERTY IS LOCATED, IT BEING UNDERSTOOD THAT, EXCEPT AS EXPRESSLY SET FORTH ABOVE IN THIS PARAGRAPH AND TO THE FULLEST EXTENT PERMITTED BY THE LAW OF SUCH STATE, THE LAW OF THE STATE OF INDIANA SHALL GOVERN ALL MATTERS RELATING TO THIS ASSIGNMENT AND THE OTHER LOAN DOCUMENTS AND ALL OF THE INDEBTEDNESS OR OBLIGATIONS ARISING HEREUNDER OR THEREUNDER. ALL PROVISIONS OF THE NOTE INCORPORATED HEREIN BY REFERENCE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF INDIANA, AS SET FORTH IN THE GOVERNING LAW PROVISION OF THE NOTE.

16. Neither this Assignment nor any provision hereof may be changed, waived or terminated orally, but only by an instrument in writing signed by Lender and Borrower.

17. If any of the provisions of this Assignment, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Assignment, or the application of such provision or provisions to persons or circumstances other than those to whom or which it is held invalid or unenforceable, shall not be affected thereby and every provision of this Assignment shall be valid and enforceable to the fullest extent permitted by law.

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IN WITNESS WHEREOF, the Borrower has duly executed this Assignment as of the day and year first above written.

BORROWER:

Heritage Real Estate Services, Inc,
a(n) Indiana corporation

By: Binika Henderson
Name: BINIKA T. Henderson
Title: President



Exhibit "A"
[LEGAL DESCRIPTION]



Legal Description

Lots 11 and 12 in Block 21 in Earle's Third Glen Park Addition to Gary, as per plat thereof, recorded August 28, 1911 in Plat Book 9, page 36 in the Office of the Recorder of Lake County, Indiana.

Commonly known as 4041 Pennsylvania St., Gary, IN 46409

The property address and tax parcel identification number listed are provided solely for informational purposes, without warranty as to accuracy or completeness and are not hereby insured.

