

MORTGAGE

THIS INDENTURE WITNESSETH that **55 West Madison Street, LLC** of Johnson County, in the State of Indiana (“Mortgagor”), mortgages and warrants to the **City of Franklin Department of Redevelopment**, of Johnson County, in the State of Indiana (“Mortgagee”), the following described real estate, as well as any present and future improvements made thereon (collectively, the “Property”), in Johnson County, State of Indiana, to-wit:

See Exhibit “A” – Legal Description

commonly known as the ‘Old City Hall’, 55 West Madison Street, Franklin, Johnson County, Indiana, 46131, subject to all restrictions, covenants, agreements, and easements of record, including all rents, profits, and any other income which may be derived therefrom, to secure:

- The Mortgagor’s performance pursuant to a certain Economic Development Agreement by and between the Mortgagor and Mortgagee dated the ___ day of _____, _____ ; and
- The Mortgagee’s interests in the Property, including the value of the Property at the time of the parties’ transfer of same (\$212,500.00), plus Mortgagee’s commitment of Two Hundred Fifty Thousand Dollars (\$250,000.00) in the project.

Mortgagor further covenants and agrees as follows:

1. To keep the Property insured against loss, casualty, or damage in such sums and with such insurers as may be approved by Mortgagee, with such insurance carrying a mortgage clause with loss payable to Mortgagee in a form satisfactory to Mortgagee to be delivered to the possession of Mortgagee;
2. To exercise due diligence and care in the construction, operation, management and occupation of the Property and not to remove or suffer to be removed any fixtures and/or appliances, now or hereafter placed on the Property;
3. Not to do or suffer to be done any acts which will impair the security of this Mortgage nor any illegal or immoral acts on the Property;

4. That Mortgagee shall have the right to inspect the Property at all reasonable times.
5. That the holder of this obligation may renew the same or extend the time of payment of the indebtedness, or any part thereof, or reduce the payments thereon; any and such renewal, extension or reduction shall not release any maker, endorser or guarantor from any liability on said obligation;
6. That no sale of the Property or extension of time for performance of any term shall operate to release, discharge, or modify in any manner the original liability of the Mortgagor; and any extension of time on this Mortgage by Mortgagee or its assigns, without the consent of the holder of any junior lien or encumbrance, shall not operate to cause a loss of the priority of this Mortgage over such junior lien. Mortgagee shall be subrogated to any lien or claim paid by monies advanced and hereby secured.
7. That in case any part of the Property is appropriated under the power of eminent domain, the entire amount paid for said portion of the premises so appropriated shall be paid to the Mortgagee in an amount not to exceed the value of the Property (\$212,500.00), plus Two Hundred Fifty Thousand Dollars (\$250,000.00).
8. That time is of the essence of this agreement and that, in case of default, the holder of the Mortgage may, at its option, declare all of the debt due and payable, and any failure to exercise said option shall not constitute a waiver of right to exercise the same at a later date. In the event any proceedings shall be instituted on any other lien or encumbrance against said real estate, then the Mortgagee herein may immediately declare this Mortgage due and payable and institute such proceedings as may be necessary to protect its interest. The lien of this Mortgage shall include all heating, plumbing and lighting or other fixtures now or hereafter attached to or used in connection with said premises, except for equipment leased by Mortgagor and installed for use in its operation.
9. That in case of default, Mortgagee is expressly authorized to secure a record title search at the expense of the Mortgagor to show the condition of the title at the date of said search which sums necessarily spent for said title search, together with interest thereon at the rate of eight percent (8%) per annum, shall become part of the debt secured by this Mortgage and collectable as such;

and in case of foreclosure and purchase of said real estate pursuant to said foreclosure by the holder thereof, the title search so secured shall be the absolute property of the Mortgagee.

10. That in the event of such foreclosure, the Mortgagee, or its assigns, may apply for the appointment of a receiver, which receiver is hereby authorized to take possession of the Property, collect the rents, income or profit, in money or in kind, and hold the proceeds subject to the order of the Court for the benefit of the Mortgagee pending foreclosure proceedings. Said receiver may be appointed irrespective of the value of the Property or its adequacy to secure or discharge the indebtedness due or to become due.
11. That all terms of this Mortgage shall be binding on each and all successors in ownership of the Property as well as upon all heirs, executors, administrators of Mortgagor or successors in ownership.
12. Construction and Interpretation of Agreement / Indiana Law. This Agreement shall be construed in accordance with the laws of the State of Indiana. The parties agree that they and their attorneys have each reviewed this Agreement, and that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party or parties shall not be used in the interpretation of this mortgage. In the event of ambiguity or other uncertainty as to the parties' intentions with respect to this mortgage, the parties agree to apply and abide by terms and conditions commonly used in commercial real estate mortgage industry.

IN WITNESS WHEREOF, the Mortgagors have hereunto set their hand and seal this _____ day of _____, 2014.

MORTGAGOR

55 West Madison Street, LLC

By: _____
Signed

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