

INDEMNIFYING MORTGAGE

THIS INDENTURE WITNESSETH that **JART Properties, Inc.** of Johnson County, in the State of Indiana (“Mortgagor”), mortgages and warrants to the **City of Franklin, Indiana Department of Redevelopment**, of Johnson County, in the State of Indiana (“Mortgagee”), the following described real property, 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 and Graphical Depiction

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 and Abbey Ops, LLC’s (the “Developers”) performance pursuant to a certain Economic Development Agreement by and between the Developers, the Mortgagee, and the Franklin Development Corporation dated the 18th day of April, 2017 (the “EDA”); and
- The Developers’ obligations under a certain promissory note executed contemporaneously with the execution of this Mortgage in the principal amount of Four Hundred Sixty Thousand Dollars (\$460,000.00), plus any future monies advanced by Mortgagee pursuant to the EDA.

Indemnification and Limited Recourse. This Indemnifying Mortgage is given to secure performance by Developers of the covenants and agreements contained in the EDA. Upon an uncured event of default by Developers under the EDA, following such notice and cure period as provided in the EDA, Mortgagee shall have the right to foreclose this Indemnifying Mortgage and recover right, title and interest in the Property. Mortgagee’s rights and interests under this Indemnifying Mortgage shall be *in rem* with respect to the Property, and not otherwise, and Mortgagor shall not be personally or otherwise liable for payment of any sum or performance of any obligation except as such is provided by the EDA or promissory note.

Termination, Discharge and Release. Mortgagor’s obligations under the EDA shall be satisfied and discharged in full upon Final Completion of the Project as provided in the EDA (“Satisfaction and Discharge”). Upon Satisfaction and Discharge, this Indemnifying Mortgage shall be promptly terminated and released of record by Mortgagee. In addition, and notwithstanding the foregoing, unless released earlier, this Mortgage shall automatically expire, terminate and be released on March 30, 2020 unless

Mortgagee has both (a) commenced a foreclosure action on or before that date, and (b) filed a notice to that effect with the real estate records of the County Recorder for the Property. If a foreclosure action has been commenced, the mortgage shall continue in force while the action is pending.

Mortgagor and Mortgagee further agree as follows:

1. Mortgagor will 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. Mortgagor will 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. Mortgagor will not 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. Mortgagee shall have the right to inspect the Property at all reasonable times.
5. 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 shall not operate to cause a loss of the priority of this Mortgage over any junior or senior lien.
6. In case any portion of the Property is appropriated under the power of eminent domain, Mortgagee shall be entitled to compensation in an amount sufficient to reimburse Mortgagee for any outstanding monies advanced under the parties' EDA.
7. Time is of the essence of this agreement and that, in case of default, the Mortgagee may, at its option, declare a default under the EDA, 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 a default under the EDA and institute such foreclosure 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 personal business property and equipment located and installed on the Property and owned by Mortgagor, its affiliates or tenants.

8. 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 a 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.
9. 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.
10. 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.
11. 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 Mortgagor has hereunto set its hand and seal this
____ day of _____, ____.

MORTGAGOR

JART Properties, Inc.

By: _____

Signed

Printed

Title

STATE OF INDIANA)
)SS:
COUNTY OF _____)

Before me, the undersigned, a Notary Public in and for said County and State, this ____ day of
_____, 2017, personally appeared _____, duly authorized representative of the
Mortgagor, who averred and acknowledged the execution of the foregoing Mortgage.

IN WITNESS WHEREOF, I have hereunto affixed my name and affixed my official seal.

My Commission Expires: _____

Residing: _____

Notary Public

This instrument was prepared by Robert H. Schafstall, Schafstall & Admire, LLP, Attorney at Law,
Franklin, Indiana.

Exhibit A

Legal Description of Property

PART OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 12 NORTH, RANGE 5 EAST OF THE SECOND PRINCIPAL MERIDIAN, NEEDHAM TOWNSHIP, JOHNSON COUNTY, INDIANA, DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT 86.68 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHWEST QUARTER; THENCE SOUTH 00 DEGREES 40 MINUTES 45 SECONDS EAST A DISTANCE OF 16.91 FEET; THENCE SOUTH 30 DEGREES 46 MINUTES 38 SECONDS WEST A DISTANCE OF 67.75 FEET; THENCE SOUTH 54 DEGREES 40 MINUTES 05 SECONDS WEST A DISTANCE OF 98.33 FEET; THENCE SOUTH 38 DEGREES 42 MINUTES 44 SECONDS WEST A DISTANCE OF 151.08 FEET; THENCE SOUTH 67 DEGREES 18 MINUTES 08 SECONDS WEST A DISTANCE OF 211.76 FEET; THENCE SOUTH 88 DEGREES 33 MINUTES 00 SECONDS WEST A DISTANCE OF 58.67 FEET; THENCE SOUTH 01 DEGREE 16 MINUTES 59 SECONDS EAST A DISTANCE OF 70.43 FEET; THENCE SOUTH 88 DEGREES 47 MINUTES 15 SECONDS WEST A DISTANCE OF 95.20 FEET TO THE **PLACE OF BEGINNING**; THENCE SOUTH 00 DEGREES 40 MINUTES 45 SECONDS EAST A DISTANCE OF 581.71 FEET; THENCE SOUTH 88 DEGREES 27 MINUTES 27 SECONDS WEST A DISTANCE OF 374.90 FEET; THENCE NORTH 00 DEGREES 28 MINUTES 58 SECONDS WEST A DISTANCE OF 724.70 FEET; THENCE NORTH 89 DEGREES 46 MINUTES 22 SECONDS EAST A DISTANCE OF 231.02 FEET; THENCE SOUTH 30 DEGREES 32 MINUTES 37 SECONDS EAST A DISTANCE OF 77.42 FEET TO A NON-TANGENT CURVE; THENCE SOUTHEASTERLY 273.22 FEET ALONG AN ARC TO THE LEFT HAVING A RADIUS OF 67.00 FEET AND SUBTENDED BY A LONG CHORD HAVING A BEARING OF SOUTH 33 DEGREES 31 MINUTES 16 SECONDS EAST AND A LENGTH OF 119.58 FEET TO THE BEGINNING OF A REVERSE CURVE; THENCE NORTHEASTERLY 45.71 FEET ALONG AN ARC TO THE RIGHT HAVING A RADIUS OF 90.00 FEET AND SUBTENDED BY A LONG CHORD HAVING A BEARING OF NORTH 44 DEGREES 12 MINUTES 17 SECONDS EAST AND A LENGTH OF 45.22 FEET; THENCE NORTH 88 DEGREES 47 MINUTES 15 SECONDS EAST A DISTANCE OF 6.05 FEET TO THE **PLACE OF BEGINNING AND CONTAINING 5.597 ACRES, MORE OR LESS.**

TO BE KNOWN AFTER PLATTING AS BLOCK "A" AND BLOCK "B" IN PARIS DRIVE PARK WEST

PRELIMINARY PLAT PARIS DRIVE PARK WEST PROPOSED IMPROVEMENTS

[illegible]NO PARKING DETAIL
10/10/2011 10:10 AM

Powerplant Requirements	Local Street Run-Thruway
Engine	
Min. 1/2 HP	1 motor
Min. 3000	2 motor
Max. 3000	4 motor
Compressed Air Supply 800 PSI	6 motor
Test Procedures	15 motor

UNION, LAKE
 Last Name : FIRST NAME
 LAST FIRST
 LAST LAST

CURRENT ZONING	MS
PROPOSED ZONING	MS
FRONT YARD SETBACK	0 FT
SIDE YARD SETBACK	0 FT
REAR YARD SETBACK	0 FT
TOTAL NUMBER OF LOTS	1 LOT
TOTAL NUMBER OF BLOCKS	0 BLOCKS
TOTAL DEVELOPMENT AREA	0.00 AC (EXCLUDING 80% OF LOT)
TOTAL DESIGNATED AUM	0.00 AC
MAXIMUM NO. OF FUTURE LOTS	
BLOCK "A"	0 LOTS (MAX)
BLOCK "B"	0 LOTS (MAX)