

## MORTGAGE

This Mortgage is made this \_\_\_\_ day of July, 2012, by and between MainSource Bank, 3801 Charlestown Road, New Albany, Indiana, 47150 (hereafter "Mortgagee") and Whispering Oaks Phase II Recreation Center, Inc., P.O. Box 604, Jeffersonville, Indiana 47131 (hereafter "Mortgagor").

### WITNESSETH:

That in consideration of the indebtedness hereafter described, Mortgagor hereby conveys and warrants to Mortgagee, its successors and assigns, in fee simple, with covenant of General Warranty, the following described real estate, including the improvements, fixtures, and appurtenances thereon, and any substitutions, replacements and additions thereto, and the leases, rents, issues and profits therefrom, located in the County of Clark, State of Indiana:

**Parcel # 10-42-06-900-101.000-039**

**The lot described and denoted as Club House & Common Area in the Whispering Oaks Subdivision, Phase II, Section III, as the same appears in of record in instrument 200422373 in Plat Book 13, Page 66, in the Office of the Recorder of Clark County, Indiana.**

Mortgagor further covenants that it is lawfully seized of the estate herein conveyed, with full right and power to mortgage and convey same, and the said estate is free from all encumbrances, except easements, restrictions and stipulations of record.

This Mortgage is given to secure payment of the indebtedness evidenced by the following: a Note and Loan Agreement of even date executed by Mortgagor in the principal amount of One Hundred Twenty Thousand and 00/100 Dollars (\$120,000.00) payable to Mortgagee, maturing on July 1, 2032 (collectively the "Note") secures payment of both the principal and the interest of the Note and any obligations, stipulations, or charges set out in said Note and any and all renewals, extensions, modifications and substitutions thereof, and secures any additional indebtedness as may be owed by Mortgagors to the Mortgagee, whether direct, indirect, existing, future, contingent or otherwise. This Mortgage secures a loan made for the purpose of the acquisition of the property herein described.

Mortgagor hereby covenants and agrees that:

1. Mortgagor will pay all taxes, assessments, and other similar charges levied upon the said premises before the same become delinquent, and will promptly deliver to Mortgagee, if requested, receipts of the proper officers therefore; Mortgagor's failure to pay any such charges shall at Mortgagee's election constitute a default hereunder. At Mortgagee's sole option, Mortgagee may pay such delinquent taxes, assessments, and charges, including any penalties or interest thereon (of which payment, amount and validity thereof, the receipt of the proper officer shall be conclusive evidence) and any amount so paid by Mortgagee shall become immediately due and payable by Mortgagor, shall be secured by this mortgage and shall bear interest from date of advance until paid at the rate provided for in the Note.

2. Mortgagor covenants to keep the improvements now existing or hereafter erected on or in the Mortgaged Premises insured against loss or damage by, or abatement of rental income, resulting from fire and "all risk" perils. Mortgagor covenants to maintain flood insurance as required by the Flood Disaster Protection Act of 1973, as amended and any additional flood insurance required by the Bank. All perils insured, with the exception of flood, shall be in an amount not less than the full replacement value of the property. Mortgagor agrees to pay promptly when due any premiums on such insurance and further agrees, if requested by the Bank, to furnish a certificate from the company carrying such insurance acknowledging that such insurance is adequate in an amount to prevent the operation of any coinsurance provision contained therein. All such insurance shall be carried by companies approved by the Bank in its reasonable discretion and the policies and renewals thereof shall be deposited with and held by the Bank and have attached thereto standard non-contributing mortgage clauses (in favor of and entitling the Bank to collect any and all proceeds payable under all such insurance) as well as the standard waiver of subrogation endorsement, all to be in a form acceptable to the Bank. The original policy shall be delivered to the Bank. Mortgagor will promptly pay when due all premiums on any policy or policies of insurance required hereunder, and will deliver to Mortgagee renewals of such policy or policies or certificates thereof at least thirty (30) days prior to the expiration date(s) thereof, said policies and renewals to be marked "paid" by the issuing company or agent. In the event of Mortgagor's failure to comply with any of the requirements of this paragraph, same shall, at Mortgagee's option, constitute a default hereunder. Mortgagee may, in its discretion, obtain any insurance required hereunder and pay the premiums due therefore, and any amounts so paid by Mortgagee shall become immediately due and payable by Mortgagor with interest thereon at the rate provided for in the Note until paid, and same shall be secured by this mortgage.

3. In the event of any loss or damage to the premises or any portion thereof, Mortgagor will give immediate notice thereof to Mortgagee, and Mortgagee may thereupon make proof of claim relative to such loss or damage, if same is not promptly made by Mortgagor, if the loss is not promptly paid by the Mortgagor to the Bank or if the damage is not promptly repaired. All such proceeds of fire and extended coverage

insurance, to the full extent of the indebtedness secured hereby, are hereby assigned to Mortgagee and shall be payable to Mortgagee if Mortgagee should so elect, and Mortgagor hereby authorizes and directs any affected insurance company to make payment thereof directly to Mortgagee. All such insurance proceeds or any portion thereof may, at the sole discretion of Mortgagee, be applied in whole or in part to restoration, repair, replacement, or rebuilding of the premises, or to and in reduction of the indebtedness secured by this mortgage. The delivery to Mortgagee of any such policies or certificates of insurance, or renewals thereof, shall constitute an assignment to Mortgagee of all unearned premiums thereon as further security for the payment of the indebtedness secured hereby. In the event of foreclosure of this mortgage or other transfer of title to the property covered hereby in extinguishment of the indebtedness hereby secured, all right, title and interest of Mortgagor in and to any insurance policies then in force shall pass to any such purchaser or grantee.

4. Mortgagor will maintain the premises in good condition and repair and will not commit or allow any waste or destruction, reasonable wear and tear excepted. Mortgagor will comply with, or cause to be complied with, any applicable statutes, ordinances, regulations, or requirements of any governmental authority relative to the subject premises and the use and maintenance thereof, and will promptly repair, restore, replace, or rebuild any part of the premises now or hereafter subject to the lien of the mortgage which may be damaged or destroyed by any casualty or as the result of any proceeding for condemnation or by exercise of the right of eminent domain. No buildings, structures, or improvements now or hereafter erected or located on the subject premises shall be removed, demolished, or substantially or structurally altered in any respect by Mortgagor, on Mortgagor's behalf, or by any tenant or by any other party without the prior written consent of Mortgagee by its duly authorized officer. Mortgagee, and any person authorized by Mortgagee, may enter upon and inspect the premises at all reasonable times.

5. Mortgagor will not create, suffer or allow any charge, lien or encumbrance (whether superior or inferior to the lien of this mortgage) upon the premises or any part thereof, save leases as have been approved by Mortgagee and the lien or general and special taxes duly levied and assessed but not yet due and payable, without prior written consent of Mortgagee. Mortgagor will pay promptly when due any charges for utilities or services, including, but not limited to, electricity, gas and water; should Mortgagor or any tenant fail to pay such charges when due, same shall constitute a default hereunder. Provided, however, that Mortgagee may pay the same, and any amount so paid by Mortgagee shall become immediately due and payable by Mortgagor with interest at the rate set forth in the Note until paid, and same shall be secured by this mortgage.

6. For purposes herein, the term "Environmental Law(s)" shall mean any federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Substance, as now or at any time hereafter in effect. For purposes herein, the term "Hazardous Substance(s)" shall have the meaning ascribed in and shall include those

substances listed under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et seq. and the regulations promulgated thereunder (as amended from time to time) and the Clean Air Act, 42 U.S.C. 7401, et seq. and the regulations promulgated thereunder (as amended from time to time) and includes oil, waste oil, and used oil as those terms are defined in the Clean Water Act, 33 U.S.C. 1251 et seq. and regulations promulgated thereunder (as amended from time to time) and the Resource, Conservation and Recovery Act, 42 U.S.C. 6901 et seq. and regulations promulgated thereunder (as amended from time to time) and the Oil Pollution Act of 1990, 33 U.S.C. 2701 et seq. and regulations promulgated thereunder (as amended from time to time) and shall include any other pollutant or contaminant designated as such by Congress or the United States Environmental Protection Agency (EPA) or defined by any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect. Borrower certifies that no violation of any Environmental Law currently exists in connection with the use, ownership, lease, maintenance or operation of the Property. Borrower further certifies that Borrower will not violate any Environmental Law in connection with the use, ownership, lease, maintenance or operation of the Property. Borrower certifies, based upon reasonable investigation, that, except for such substances which have been used in the normal course of operation of Borrower's business, neither Borrower nor any other person within Borrower's knowledge or control, including any lessee of the Property, has ever caused or permitted any Hazardous Substance to be released, spilled or disposed of on, under or at the Property or any part thereof and neither the Property nor any part thereof has ever been used by Borrower or any other person as a dump site or storage site, whether permanent or temporary, for any Hazardous Substance.

7. Borrower certifies that it is not a party to any litigation or administrative proceeding, nor so far as is known by Borrower is any litigation or administrative proceeding threatened against it, which in either case asserts or alleges that (i) Borrower violated any Environmental Law, (ii) Borrower is required to clean up or take other response action due to the release or threatened release or transportation of any Hazardous Substance, or (iii) Borrower is required to pay all or a portion of the cost of any past, present or future cleanup or other response action which arises out of or is related to the release or threatened release or transportation of any Hazardous Substance. Lender shall have the right but not the obligation, and without limitation of Lender's rights under the Loan Documents, to enter the Mortgaged Property and take such other actions as it deems necessary or advisable at any time (i) to clean up or otherwise deal with any Hazardous Substance (ii) following receipt of any notice or other information which, in the sole opinion of Lender, could result in action against Borrower or Lender or could adversely affect the value of Lender's collateral. Lender further shall have the right but not the obligation, and without limitation of Lender's rights under the Loan Documents, to enter the Mortgaged Property to investigate the environmental condition of the Mortgaged Property and shall have the right to grant access to environmental professionals to perform investigations, including without limitation sampling and borings, to determine the environmental condition of the Mortgaged Property in anticipation of foreclosure or acceptance of a deed in lieu of

foreclosure. Borrower hereby agrees to indemnify Lender and hold Lender harmless from and against any and all losses, liabilities, including strict liability, damages, injuries, expenses, including reasonable attorneys' fees (which fees shall include the reasonable estimate of the allocated cost of in-house counsel and staff), claims for damage to the environment, claims for fines or civil penalties, costs of any settlement or judgment and claims of any and every kind whatsoever paid, incurred or suffered by or asserted against Lender by any person, entity or governmental agency for, with respect to or as a direct or indirect result of Borrower's noncompliance or alleged noncompliance with any Environmental Law or the presence on, under or at the Property of, or the release or threatened release or transportation of, any Hazardous Substance, regardless of whether or not caused by or within the control of Borrower. The covenants, representations, warranties, and indemnities under this section shall be deemed continuing covenants, representations, warranties and indemnities for the benefit of Lender and any successors or assigns of the Lender, including any purchaser of Lender's collateral at a mortgage foreclosure sale, any transferee of the title of the Lender and any subsequent owner of the Property claiming through or under the title of Lender, and shall survive any enforcement of Lender's rights against collateral securing payment of the Note or the satisfaction of the obligations evidenced by the Note. If any representation or warranty or certification made herein by Borrower shall prove untrue or Borrower shall violate or fail to comply with any of the provisions hereof, an Event of Default under the Loan Documents shall have occurred and Lender shall be entitled to exercise its remedies for default under the Loan Documents.

8. The liability of Borrower shall in no way be limited or impaired by, and Borrower hereby consents to and agrees to be bound by, any amendment to or modification of the provisions of the Loan Documents by Borrower. In addition, the liability of Borrower shall in no way be limited by (i) any extensions of time for performance required by any of the Loan Documents, (ii) any sale or assignment of any of the Loan Documents or any sale or transfer of all or part of the Property after the enforcement of Lender's rights under the Loan Documents or Lender's, or its assignees, acquisition of all or part of the Property by a deed-in-lieu of foreclosure, (iii) the accuracy or inaccuracy of the representations and warranties made by Borrower under any of the Loan Documents, (iv) the release of Borrower or any other person from performance of observance of any of the agreements, covenants, terms or conditions contained in any of the Loan Documents by operation of the law, Lender's voluntary act or omission, or otherwise, (v) the release or substitution in whole or in part of any security for the Note of (vi) Lender's failure to record any of the Loan Documents or file any UCC financing statements (or Lender's improper recording or filing of any thereof) or to otherwise perfect, protect, secure or insure any security interest or lien given as security for the Note. Borrower hereby waives any right or claim of right to cause a marshalling of Borrower's assets or to cause Lender to proceed against any of the security for the Loans before proceeding under this Certificate against Borrower; Borrower agrees that any payments required to be made hereunder shall become due on demand; and Borrower expressly waives and relinquishes all rights and remedies (including any rights of subrogation) accorded by applicable law to indemnitors, sureties or guarantors. If all or any substantial part of the premises are damaged, taken, or

acquired, either temporarily or permanently, in any condemnation proceeding, or by exercise of the right of eminent domain, or by the alteration of the grade of any street affecting the said premises, the amount of any award or other payment for such taking or damages made in consideration thereof, to the extent of the full amount of the then remaining unpaid indebtedness secured hereby, is hereby assigned to Mortgagee, who is empowered to collect and receive the same and to give proper receipts therefore in the name of the Mortgagor and the same shall be paid forthwith to Mortgagee. Any award or payment so received by Mortgagee may, at the option of the Mortgagee, be retained and applied, in whole or in part, to the indebtedness secured hereby (whether or not then due and payable), in such manner as Mortgagee may determine, or released, in whole or in part, to Mortgagor for the purpose of altering, restoring, or rebuilding any part of the premises which may have been altered, damaged, or destroyed as a result of such taking, alteration, or proceeding, but Mortgagee shall not be obligated to see to the application of any amounts so released.

9. If Mortgagee shall incur or expend any sums, including reasonable attorney's fees, to sustain the lien of this mortgage or its priority, or to protect or enforce any of Mortgagee's rights hereunder or under any other loan document, or to recover any indebtedness hereby secured, all such sums shall become immediately due and payable by Mortgagor with interest thereon at the rate set forth in the Note until paid. All such sums shall be secured by this mortgage and shall be a lien on the premises prior to any right, title, interest, or claim, in, to or upon the premises attaching or accruing subsequent to the lien of this mortgage.

10. Mortgagor will not hereafter make or permit, without the prior written consent of the Mortgagee: (a) any sale of the premises, or any equitable interest therein, or the execution of any contract for deed relative to the subject premises, or any assumption of the debt hereby secured, or any use of the premises or any part thereof for any purpose other than that for which the same are now used, provided, however, that in the event the Mortgagor should wish to convert the property to a condominium regime it shall first obtain the consent of the Mortgagee which consent shall not be unreasonably withheld; (b) any material alteration, removal or demolition of the buildings, improvements, fixtures, apparatus, machinery, equipment or personal property in or upon any of the buildings or improvements on the same premises; (c) any assignment of the revenues, rents, income or profits from the premises; (d) any mortgage, lien or encumbrance upon the premises, or any part thereof (whether prior or inferior to the lien of this mortgage) affecting or adverse to the lien hereof, save the lien of general and special taxes duly levied and assessed and not yet due and payable. Any of the foregoing without Mortgagee's prior written consent shall be and constitute a default by Mortgagor on this mortgage and the indebtedness secured hereby.

11. The occurrence of any of the following shall be an event of default subject to the cure provisions contained herein: the Borrower fails to make payment when due under the Note or hereunder; failure of the Borrower after request by the Bank to furnish financial information or to permit the inspection of books or records; should the Borrower fail

to honor or comply with the terms of any agreement, document or instrument made in connection with the loan referred to in this Mortgage or made in connection with any other loan, either now existing or made in the future, with the Mortgagee; should the Borrower or any guarantor become insolvent (whether on a net worth basis or by reason of the inability to pay debts as they mature, or otherwise), make an assignment for the benefit of creditors, or if any proceeding is instituted by or against any of them for any relief under bankruptcy or insolvency laws, or if a receiver is appointed for any of them or their assets, or should the Borrower dissolve or otherwise terminate its existence, or should the Borrower cease its business operations; breach of any representation or warranty made by the Borrower, or of any agreement, covenant, provision, or term of this Agreement to be performed by the Borrower; termination or suspension of the usual business of the Borrower; the Borrower's failure to promptly report, abate, and take all necessary remedial action upon any violation of any federal, state, or local statute, law, ordinance, code, rule, regulation, order, or decree now or hereafter in effect regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic, or dangerous waste, substance, pollutant, or material or any solid waste, or any of the foregoing may be now or hereafter defined by any such statute, law, ordinance, code, rule, regulation, order, or decree, and the Bank in good faith believes its security is materially impaired or its risk is materially increased; provided, however, notwithstanding anything herein to the contrary, the Borrower shall have ten (10) days from the date when due to make any regularly scheduled payment under this Mortgage or the Note and shall have thirty (30) days after notice to cure an Event of Default under this Agreement which is subject to being cured and if it cannot reasonably be cured within thirty (30) days and the Borrower is proceeding with due diligence to cure the breach or Event of Default, the period of cure may be extended in the discretion of Bank.

12. Upon the happening of such an event, in addition to any other right or remedy which Mortgagee may now or hereafter have, at law or in equity, and not by way of limitation, Mortgagee shall have the right and power to exercise any or all or any combination of the following remedies: (a) to declare the entire indebtedness secured hereby due and payable (and same shall thereupon be due and payable), and to foreclose upon this mortgage and the lien hereof; (b) to sell the property subject to the lien hereof, according to law, as an entirety or in separate parcels; (c) to apply without notice (same being hereby expressly waived by Mortgagor) for the appointment of a receiver to collect the revenues and profits of same premises and to preserve the security hereof as a matter of contract right, either before or after any foreclosure sale, without regard to the value of said premises or property, or any other property, as security for the amount due Mortgagee or the solvency of any entity liable for the payment of such amounts; (d) to enter upon and take possession of the said premises and property without application to any court, with the irrevocable consent of Mortgagor as evidenced by Mortgagor's execution of this mortgage, and collect the revenues, issues and profits thereof; and, with the appointment of any receiver or application being made therefore, to manage, promote and/or operate the said premises, either in Mortgagee's name or Mortgagor's name, by whatever means Mortgagee may elect, and receive all the revenues, issues and profits therefrom, and apply the same, after payment of all necessary charges and expenses deemed by Mortgagee to be necessary, to the indebtedness hereby secured. All the foregoing rights and powers are

effective and may be enforced by Mortgagee either in conjunction with or without any action to foreclose this mortgage, and without applying at any time for a receiver for said premises. The foregoing rights and remedies are independent of and in addition to any statutory right to appointment of a receiver.

13. Borrower hereby grants, transfers and assigns to the Mortgagee all of the right, title and interest of the Borrower in and to all leases heretofore executed, or hereafter to be executed by the Borrower covering the Property or all or any portion of the improvements on the Property, together with all rents, issues and profits from same.

14. All the terms, covenants, conditions and agreements herein set forth shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, attorneys, representatives, successors and assigns, as the case may be, of the parties hereto, and this mortgage and the provisions hereof shall be covenants running with the land. In the event of any inconsistency between the terms of this Mortgage and the Loan and Security Agreement of even date herewith, the terms of the Loan and Security Agreement shall control.

15. No delay or omission on the part of the Mortgagee in exercising any right or remedy hereunder or under any other loan document shall operate as a waiver of such right or remedy or any other right or remedy. A waiver by Mortgagee on any one occasion shall not be a bar to or waiver of any right or remedy on any further occasion. The rights and remedies provided herein and in any other loan document are cumulative, and the Mortgagee may resort to any other right or remedy or any combination thereof available under such other loan documents or at law or in equity without first exhausting and without affecting or impairing the security of or any right or remedy afforded by this mortgage. No waiver shall be effective as to Mortgagee unless same shall be in writing by its duly authorized officer; any such waiver shall be construed strictly according to its terms.

16. To the fullest extent possible under applicable law, Mortgagor waives, for itself and for all persons claiming through or under it, the benefit of all laws now existing or that hereafter may be enacted providing for (i) any appraisal before sale of any portion of the subject property, commonly know as appraisal laws, and (ii) the benefit of all laws now or hereafter enacted in any way extending the time for the enforcement of the collection of the amounts secured hereby or creating or extending a period of redemption from any sale made in collecting the amounts secured hereby, commonly known as stay laws and redemption laws, and (iii) the benefit of any homestead exemption or similar exemption. Any sale under this Mortgage shall operate to divest all right, title and interest of the Mortgagor in and to the subject property and the rights so sold, shall be a perpetual bar both in law and equity against the Mortgagor, and shall be in bar of any equity or right of redemption, the same being expressly waived by Mortgagor.

**IN WITNESS WHEREOF**, this mortgage has been executed by the Mortgagee and Mortgagor the day and year first above written.



MORTGAGOR:

Whispering Oaks Phase II Recreation Center, Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF INDIANA  
COUNTY OF FLOYD

The foregoing instrument was sworn to and acknowledged before me this  
\_\_\_ day of July, 2012 by \_\_\_\_\_, as  
\_\_\_\_\_ for the Whispering Oaks Phase II Recreation  
Center, Inc. on behalf of the company.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

MORTGAGEE:

MainSource Bank

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF INDIANA  
COUNTY OF FLOYD

The foregoing instrument was sworn to and acknowledged before me this  
\_\_\_ day of July, 2012 by \_\_\_\_\_, as  
\_\_\_\_\_ for the MainSource Bank on behalf of the Bank.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

Declaration

This instrument was prepared by the undersigned who hereby affirms under the penalties of perjury that he has reviewed the attached document for the purpose of identifying and, to the extent permitted by law, has redacted all Social Security numbers in the attached document.

Goldberg Simpson LLC

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Mark J. Sandlin  
9301 Dayflower Street  
Prospect, Kentucky 40059

UNANIMOUS CONSENT OF DIRECTORS AND OFFICERS  
OF  
WHISPERING HILLS PHASE II RECREATION CENTER, INC.  
AN INDIANA CORPORATION

The undersigned are all of the directors and officers of the above corporation ("Corporation") and they hereby represent and warrant to MainSource Bank ("Lender") that the Corporation is in good standing and is duly organized and existing under the laws of Indiana and that Karen Gordon Wigginton is duly authorized and empowered in the name of and on behalf of the Corporation to execute and deliver to the Lender any and all loan documents, including but not necessarily limited to, pledges of deposit accounts, agreements, notes, mortgages, security interests, agreements, contracts, documents, and instruments as may be required or requested in connection with the loan for the assumption of debt secured by real property in Clark County, Indiana. This consent is duly approved and adopted by all of the directors and officers of the Corporation in accordance with and in compliance with the Corporation's Articles of Incorporation, By-laws and laws of the State of Indiana. The Corporation has full power and lawful authority to confer the powers granted herein and no other action or consent of any other person or entity is necessary in order for this consent to be effective.

IN WITNESS WHEREOF, the undersigned have hereunto executed this Unanimous Consent the \_\_\_\_ day of July, 2012.

**Officers:**

\_\_\_\_\_  
Susan Snelling, President

\_\_\_\_\_  
Karen Wigginton, Secretary

\_\_\_\_\_  
Stacy Stewart, Treasurer

**Directors:**

\_\_\_\_\_  
Gilbert Aguilar, Pool Supervisor

\_\_\_\_\_  
Sergio Rodriquez, Pool Maintenance

\_\_\_\_\_  
Susan Davis, Pool Maintenance

\_\_\_\_\_  
Lauren Stutesman, Pool Maintenance

\_\_\_\_\_  
Stan Martin, Key Cards

\_\_\_\_\_  
Stacey Hall, Clubhouse Support

## COLLATERAL ASSIGNMENT OF RENTS AND LEASES

This Collateral Assignment of Rents and Leases is made this \_\_\_\_ of July, 2012, by and between MainSource Bank, 3801 Charlestown Road, New Albany, Indiana, 47150 ("Lender") and Whispering Oaks Phase II Recreation Center, Inc., \_\_\_\_\_ ("Assignor").

### WITNESSETH:

WHEREAS, Assignor having granted a mortgage to the Lender to secure the payment of the principal amount of \$120,000.00 ("Mortgage") covering the real estate more particularly described herein ("Property").

NOW THEREFORE, in consideration of the premises and in order to induce the Lender to make said loans, and as additional security for the performance of the obligations to Lender the Assignor does hereby covenant and agree as follows:

1. Assignor hereby grants, transfers and assigns to the Lender all of the Assignor's right, title and interest in and to all rents and leases in regard to the Property, together with all issues and profits therefrom hereafter collectively called the "Collateral". The Property is located in Clark County, Indiana and is more particularly described as follows:

**Parcel # 10-42-06-900-101.000-039**

**The lot described and denoted as Club House & Common Area in the Whispering Oaks Subdivision, Phase II, Section III, as the same appears in of record in instrument 200422373 in Plat Book 13, Page 66, in the Office of the Recorder of Clark County, Indiana.**

2. Assignor agrees with respect to the Collateral that:

(a) Assignor will (i) fulfill or perform each and every condition and covenant to be fulfilled and performed under the terms of the Collateral; (ii) give prompt notice to the Lender of any notice of default received by the Assignor together with a complete copy of any such notice; (iii) at the sole cost and expense of the Assignor enforce the collection of the Collateral; (iv) not modify or in any way alter the terms of the Collateral; (v) not terminate the term of the Collateral nor accept the surrender thereof unless required to do so by the terms of the Collateral; and (vii) not waive or release the any obligated party of the payment of the Collateral.

(b) At the Assignor's sole cost and expense, Assignor will appear in and defend any action growing out of or in any manner connected with the Collateral or the obligation or liabilities of the Lessor, Lessees or any guarantors thereunder;

(c) Assignor has not executed any prior assignment of any of its rights under the Collateral nor has Assignor done anything which might prevent the Lender from, or limit the Lender in the operation under any of the provisions hereof.

3. In the event Assignor fails to pay the Note or any installment of interest thereunder when the same becomes due and payable, whether by acceleration or otherwise, or Assignor defaults in the performance of any obligation hereunder, or any event of default occurs under the Note, the Mortgage, or any other instrument or document securing payment of the Note, the Lender, at its option, without notice to the Assignor and without regard to the adequacy of the security for the indebtedness evidenced by the Note, either in person or by agent with or without bringing any action or proceeding, or by a receiver to be appointed by any court having jurisdiction, may (i) enter upon, take possession of and operate the improvements and the Property; (ii) make, enforce, modify and accept the surrender of the Collateral; (iii) obtain and evict tenants; (iv) fix or modify rents; and (v) do any acts which the Lender deems proper to protect the security hereof until all the indebtedness secured hereby is paid in full; and either with or without taking possession of the improvements and the Property, in its own name, sue for or otherwise collect and receive all rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection (including reasonable attorneys' fees permitted by law), upon the indebtedness secured hereby in such order as the Lender may determine. The entering upon and taking possession of the improvements and the Property, the collection of said rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any event of default.

4. The Lender shall not, by reason of this Assignment, be obligated to perform or discharge any obligation under the Collateral, or under or by reason of this Assignment, and Assignor hereby agrees to indemnify the Lender against and hold it harmless from any and all liability, loss or damage which it may or might incur under the Collateral or under or by reason of this Assignment and of and from any and all claims and demands whatsoever which may be asserted against the Lender by reason of any alleged obligation or undertaking on its part to be performed or discharged under any of the terms of the Collateral. Should the Lender incur any such liability, loss or damage under the Collateral or under or by reason of this Assignment, or in defense against any such claims or demands, the amount thereof, including costs, expenses and reasonable attorneys' fees permitted by law, together with interest thereon at the rate specified in the Mortgage, shall be secured hereby and by the Mortgage, and Assignor shall reimburse the Lender therefore immediately upon demand.

5. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, personal representatives, successors and assigns, and shall be construed and governed by the laws of the State of Indiana.

6. While this is a present assignment, the Lender will not exercise any of its rights and remedies hereunder unless and until the Assignor should be in default hereunder or on the loan agreement or note of even date herewith, or any other loan document, beyond any applicable grace or cure period. In the event of any such default, the assignee may immediately collect such rents as they become due and apply the same, less the Lender's costs and expense of collection thereof, to payment of any and all of the sums secured hereby then remaining unpaid, and the Lender may further elect to act in all respects as the Assignor might under any such lease. The foregoing may be enforced in conjunction with or independent of a mortgage foreclosure action and with or without application to a court of competent jurisdiction.

**The Lender and the Assignor each waive any and all rights to a trial by jury in any dispute and specifically agree that any dispute shall be tried before a court and not before a jury. As used in this section, the term "dispute" means any and all actions, proceedings, claims, counterclaims or cross-claims, whether at law or in equity or whether based upon contract, tort or any other legal theory, which in any way arise out of or relate to this Agreement (as it is executed today or as it may be subsequently amended), or any instrument or document or amendment thereto delivered in connection herewith, or any past, present or future relationship between them.**

**IN TESTIMONY WHEREOF**, Assignor has executed this Assignment, the day and year first above written.

ASSIGNOR:

Whispering Oaks Phase II Recreation Center, Inc.,  
an Indiana corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF INDIANA  
COUNTY OF FLOYD

The foregoing instrument was acknowledged before me this 3<sup>rd</sup> day of July, 2012, by \_\_\_\_\_ as \_\_\_\_\_ of Whispering Oaks Phase II Recreation Center, Inc., an Indiana corporation on behalf of the corporation.

My Commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

LENDER:

MainSource Bank

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF INDIANA  
COUNTY OF FLOYD

The foregoing instrument was sworn to and acknowledged before me this 3rd day of July, 2012, by Tracy L. Farrell, as Commercial Loan Officer for the MainSource Bank on behalf of the Bank.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

Declaration

This instrument was prepared by the undersigned who hereby affirms under the penalties of perjury that he has reviewed the attached document for the purpose of identifying and, to the extent permitted by law, has redacted all Social Security numbers in the attached document.

Goldberg Simpson LLC

\_\_\_\_\_  
Mark J. Sandlin  
9301 Dayflower Street  
Prospect, Kentucky 40059