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When Recorded Mail To:

Peter M. Huser
COMMERCIAL LOAN CORPORATION
1900 Spring Road
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RECORDER'S STAMP

**MORTGAGE, ASSIGNMENT OF LEASES AND RENTS
AND SECURITY AGREEMENT**

THIS MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT ("Mortgage"), made as of April 27, 2001, by MADISON MANOR 2 DEVELOPMENT, L.L.C., an Illinois limited liability company (hereinafter referred to as "Borrower" or "Mortgagor") for the benefit of COMMERCIAL LOAN CORPORATION, an Illinois corporation ("Mortgagee").

RECITALS

Mortgagor has executed and delivered to Mortgagee a certain Secured Promissory Note in the original principal amount of Ten Million Five Hundred Thousand and No/100 (\$10,500,000.00) Dollars of even date herewith (the "Note"), which matures October 1, 2002 and which bears interest at variable rate of interest. The Note evidences a revolving line of credit between Mortgagor and Mortgagee and therefore the lien of this Mortgage secures payment of any existing indebtedness under the Note and any future advances as may be made from time to time by Mortgagee in connection with the Note from the date hereof to twenty (20) years from the date of this Mortgage and the lien of this Mortgage secures futures advances made in connection with the Note to the same extent as if such future advances were made on the date hereof and regardless of whether or not any advance has been made as of the date of this Mortgage or whether there is any outstanding indebtedness at the time of any future advance under the Note.

NOW, THEREFORE, Mortgagor, in order to secure to Mortgagee the (i) repayment of the indebtedness evidenced by the Note, together with interest, prepayment premiums if any, late charges and all other charges, as provided therein and herein; (ii) together with all other

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property which may be added to the lien of this Mortgage; and (iii) the performance of the covenants, conditions and agreement contained herein and in the Loan Documents (as hereinafter defined), does hereby MORTGAGE, WARRANT, GRANT, BARGAIN, SELL, ALIENATE, CONVEY, CONFIRM AND ASSIGN:

All of Mortgagor's fee simple interest and estate in the property legally described in Exhibit A attached hereto and by this reference made a part hereof and located in Cook County, Illinois (the "Land") and improvements thereon, together with all buildings, structures and other improvements and chattels now on the Land or that may hereafter be erected or placed thereon which are owned by Mortgagor; also together with all shrubbery and trees now growing or that hereafter may be planted or grown thereon; and also together with all crops and/or produce of any kind now growing or that may be hereafter growing, grown or produced upon said land or any part thereof; and also to the extent owned by Mortgagor, development rights or credits, oil, gas and mineral rights, air rights and water and water rights; also together with all and singular the ways, easements, riparian and other rights, and all tenements, hereditaments and appurtenances thereunto belonging to Mortgagor, including but not limited to all rights in any abutting public or private streets and alleys adjacent thereto including (all of which items are hereinafter referred to as the "Premises");

And all present and future rents, issues, avails, profits and proceeds (herein referred to as the "Rents") of or from the Premises (which are also hereby granted, sold, bargained and conveyed to Mortgagee), the "Leases" and/or and the "Equipment" (both of which terms are hereinafter defined), howsoever occurring, existing, created or arising;

And all present and future leases, use agreements, agreements, tenancies, licenses and franchises (herein referred to as the "Leases") of or from the Premises and/or the Equipment or in any way, manner or respect required, existing, used or useable in connection with the Premises and/or the Equipment or the management, maintenance, operation or business thereof, and all deposits of money as advance rent under any or all of the Leases and all guaranties of lessees' performances thereunder;

And all present and future judgments, awards of damages and settlements made as a result or in lieu of any taking of the Premises, the Equipment and/or the Leases, or any part thereof, under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) thereto;

And all present and future apparatus, machinery, equipment, owned motor vehicles, fixtures and articles of personal property of any and every kind and nature whatsoever used, attached to, installed or located in or on or used in connection with the Premises, or required for use in or on or in connection with the management, maintenance, operation or business of the Premises, and all replacements thereof and accessions thereto to the extent owned by Mortgagor and not owned by any tenant (herein referred to as the "Equipment"), including, but not limited to, any such item of Equipment now or at any time or times hereafter situated on the Premises and used to supply or otherwise deliver heat, gas, air conditioning, water, sewer, light, electricity, power, plumbing, refrigeration, sprinkling, ventilation, mobility, communication, incineration, and all other related or other such services (all of the immediately above mentioned items of Equipment being deemed to be a part of the Premises, whether physically attached

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thereto or not);

And all present and future insurance policies in force or effect owned by Mortgagor, insuring the Premises, the Rents, the Leases or the Equipment;

And all proceeds of each and every of the foregoing.

TO HAVE AND TO HOLD the above described property, including, without limitation, the Premises, the Leases, the Equipment and the Rents (collectively, the "Mortgaged Property") unto Mortgagee and its successors and assigns, forever, however, upon the terms, provisions and conditions herein set forth and hereby covenanting and agreeing to warrant and forever defend the Mortgaged Property unto Mortgagee against every person whomsoever lawfully claiming or to claim the same or any part thereof.

PROVIDED ALWAYS, that upon full payment of the Note secured hereby plus all accrued, but unpaid, Interest (as hereinafter defined), or extensions or renewals thereof, in whole or in part, and payment in full of Borrower's Liabilities (as hereinafter defined) and secured hereby, and Mortgagor faithfully and promptly having complied with and performed Borrower's Obligations (as hereinafter defined) to Mortgagee, then Mortgagee shall cancel this Mortgage of record and shall surrender this Mortgage.

This Mortgage shall operate as and constitute a Security Agreement from Mortgagor to Mortgagee with respect to that portion of the Mortgaged Property constituting property or interests in property, whether real or personal, tangible or intangible, which are subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of Illinois or any similar and applicable law, statute, code or other governing body of law. In addition Mortgagor hereby grants to Mortgagee a continuing security interest in (i) that portion of the Mortgaged Property (as herein defined) constituting property or interests in property, whether real or personal, tangible or intangible, now owned or existing and hereafter acquired and arising, which are subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of Illinois or any similar and applicable law, statute, code or other governing body of law; and (ii) the Equipment and all proceeds thereof to secure payment of the indebtedness and obligations secured by this Mortgage. In the event of a foreclosure sale, all property or interests in property, subject to the priority and perfection of security interest provisions of the Uniform Commercial Code of Illinois or any similar and applicable law, statute, code or other governing body of law, may, at the option of Mortgagee, be sold as a whole and it shall not be necessary to have present at the place of sale the property or any part thereof.

AND THIS INDENTURE FURTHER WITNESSETH:

1. DEFINITIONS

1.1 Wherever used in this Mortgage, "Borrower's Liabilities" means any and all of the following: (i) the payment of any and all monies, including, but not limited to, the payment, when due or declared due, of the principal sum of the Note, together with the interest described

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therein, now and/or hereafter owed or to become owing by Borrower to Mortgagee under and/or pursuant to the terms and provisions of the Note; (ii) the payment of any and all other debts, claims, obligations, demands, monies, liabilities and/or indebtedness (of any and every kind or nature) now and/or hereafter owing, arising, due or payable from Mortgagor to Mortgagee under and/or pursuant to the terms and provisions of this Mortgage or the Loan Documents; and (iii) the payment of any and all other debts, claims, obligations, demands, monies, liabilities and/or indebtedness (of any and every kind or nature) now and/or hereafter owing, arising, due or payable from Borrower to Bank under that certain Commercial Construction Loan and Security Agreement of even date herewith between Mortgagee and Borrower (the "Loan Agreement") or any other document defined as a "Related Document" therein (hereinafter collectively referred to as the "Other Agreements"). (The Note, the Mortgage and the Other Agreements may be collectively referred to herein as the "Loan Documents.")

1.2 The term "Interest" as used herein means interest as provided for in the Note, including, without limitation, monthly interest on the principal balance thereof.

1.3 Wherever used in this Mortgage, "Borrower's Obligations" means the prompt, full and faithful performance, discharge, compliance and observance by Borrower of each and every term, condition, warranty, representation, agreement, undertaking, covenant and provisions to be performed, discharged, observed or complied with by Borrower contained in the Loan Documents.

1.4 Wherever used in this Mortgage, the term "and/or" means one or the other or both, or any one or all, of the things, events or persons or parties in connection with which the term is used.

2. CONVEYANCE

2.1 To secure the payment of Borrower's Liabilities and the performance of Borrower's Obligations, Mortgagor hereby does mortgage, warrant, grant, bargain, sell, alienate, convey, confirm, assign, pledge, set over, transfer, remise and release to Mortgagee, its successors and assigns, forever, the Mortgaged Property for the purposes and uses set forth in this Mortgage.

2.2 Mortgagor, within five (5) days after request by Mortgagee therefor, will certify, in writing, to Mortgagee, or to any proposed assignee of this Mortgage, the amount of principal and interest then owing and unpaid under the Note and whether Mortgagor has or asserts any offsets or defenses thereto.

2.3 Mortgagor, immediately upon request by Mortgagee, at Mortgagor's sole expense, will or will cause to be made, executed and delivered to Mortgagee, in form and substance acceptable to Mortgagee, all documents and instruments that Mortgagee is reasonably advised are and/or reasonably deems necessary or appropriate to evidence, document or conclude the transactions described in and/or contemplated by this Mortgage, the Note or the Other Agreements or required to perfect or continue perfected, as valid liens, the liens granted

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herein or in the Other Agreements by Borrower to Mortgagee upon the Mortgaged Property.

3. COVENANTS, WARRANTIES AND REPRESENTATIONS

3.1 Mortgagor covenants with and warrants and represents to Mortgagee as follows:

(i) Mortgagor promptly will pay, or cause to be paid, when due or declared due, Borrower's Liabilities and Mortgagor will promptly, fully and faithfully perform, discharge, observe and comply with each and every of Borrower's Obligations.

(ii) Mortgagor now has and hereafter shall maintain the standing, right, power and lawful authority to own the Mortgaged Property, to carry on the business of and operate the Mortgaged Property, to enter into, execute and deliver the Loan Documents to Mortgagee, to encumber the Mortgaged Property to Mortgagee as provided herein or in the Loan Documents and to perform all of Borrower's Obligations and to consummate all of the transactions described in or contemplated by the Loan Documents.

(iii) Mortgagor has duly filed or caused to be filed and shall continue timely to file or cause to be filed all federal, state and other governmental tax and similar returns which Borrower is required by law to file with respect to the Mortgaged Property and the operation and business thereof. All taxes and other sums which are shown to be payable under such returns have been and shall be timely and fully paid and Mortgagor shall maintain adequate reserves in amount to fully pay all such liabilities which hereafter may accrue. Mortgagor shall have the right to contest any taxes, charges, or other sums levied, imposed, assessed or claimed due by any federal, state and other governmental agency, provided, however, Mortgagor shall proceed diligently in good faith to contest such tax, charge or other sum and Mortgagor shall establish such reserves as Mortgagee shall reasonably require to protect the Mortgaged Property.

(iv) All of the licenses necessary for the operation of the Mortgaged Property are and shall at all times be in full force and effect. All of the Leases are and shall remain genuine, in all respects what they purport to be, free of set-offs, counterclaims or disputes, and valid and enforceable in accordance with their terms and all parties to the Leases have and shall have the capacity to contract thereunder. Except for security deposits provided for under the Leases, and revealed to Mortgagee in writing, no advance payments of more than one month's rental have been (except as disclosed to Mortgagee in writing) or shall be made thereunder.

(v) To Borrower's knowledge, there is no litigation, action, claim or proceeding pending or threatened which might, in any way, manner or respect, materially or adversely affect the Mortgaged Property, the operation or the business thereof, Mortgagee's encumbrances thereon, the collectibility of the Note, the ability of Borrower to repay the Note or the financial condition of the Mortgaged Property or the operation or business thereof.

(vi) The Mortgaged Property now consists of and is in the same condition, ordinary wear and tear excepted, as it was when Mortgagee last inspected it and, ordinary wear and tear excepted, it shall consist of and remain in such condition until the payment, in full, of

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Borrower's Liabilities.

(vii) Borrower and the Mortgaged Property possess and hold and shall maintain adequate properties, interests in properties, leases, licenses, franchises, rights and governmental and other permits, certificates, consents and approvals to conduct and operate the business of the Mortgaged Property. None of the foregoing contain or shall contain any term or condition that is materially burdensome to said business or held by other parties conducting or operating a similar business.

(viii) To Borrower's knowledge, there does not exist and hereafter there shall not arise any default or breach of or under any agreement, instrument or document for borrowed money by which the Mortgaged Property is bound or obligated, nor does Borrower have any claims for set-off or defenses to the payment of such borrowed money.

(ix) The location, existence, use and condition of the Premises and the Equipment are and shall remain in compliance with all applicable laws, rules, ordinances and regulations, including, but not limited to, building and zoning laws, and all covenants and restrictions of record.

(x) There are not now and will be no Hazardous or Toxic Material (as hereinafter defined) existing on or under the surface of the Mortgaged Property or in any surface waters or ground waters on or under the Mortgaged Property and no escape, seepage, spillage, discharge, emission or release of any Hazardous or Toxic Material has occurred or shall occur on, under, above, or emanate from, the Mortgaged Property. To the best of Borrower's knowledge, the Mortgaged Property has not and will not be used as a sanitary landfill, dump site, industrial disposal area, or storage site for Hazardous or Toxic Material, or for any other similar use, on either a permanent or temporary basis; provided, however, that this provision shall not prohibit the possession or use by Mortgagor or its tenants of materials in such quantities, and used under such conditions, as do not constitute a hazardous condition, or subject the Mortgagor, tenants or the Mortgaged Property to any applicable lien, violation, law, rule or regulation as a result of such possession or use. The term Hazardous or Toxic Material shall be defined to include: (i) asbestos or any material composed of or containing asbestos in any form and of any type, (ii) PCB's or (iii) any hazardous, toxic or dangerous waste, substance, material, smoke, gas or particulate matter, as from time to time defined by or for purposes of the Comprehensive Environmental Response Compensation and Liability Act, and any law commonly referred to as of the date hereof as "Superfund" or "Superlien" or any successor to such laws, or any other Federal, State or local environmental, health or safety statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards concerning or in connection with hazardous, toxic or dangerous waste, substance, material, smoke, gas or particulate matter, as now or any time hereafter in effect. Mortgagor will indemnify and hold Mortgagee free and harmless from any and all loss, liability, cost or expense (including, without limitation, the cost of attorneys, consultants, analysis, litigation, clean-up and settlement expenses) which Mortgagee may incur, or to which Mortgagee may be or become subject, as a result of the presence of any Hazardous or Toxic Material on, in or under the Mortgaged Property (whether or not the presence thereof shall constitute a breach by Mortgagor of this paragraph), or as the result of the assertion by any person of any facts or circumstances which, if proven correct, could result in any such loss, liability, cost or expense

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to Mortgagee. The indemnity set forth in this paragraph shall survive the repayment of the Note and the release and discharge of this Mortgage.

(xi) Mortgagor is and shall remain in peaceful possession of and will forever warrant and defend the Mortgaged Property from and against any and all claims thereon or thereto of any and all persons or entities.

(xii) Borrower has no knowledge that the appraisals of the Mortgaged Property provided to Mortgagee as a condition to the making of the loan evidenced by the Note were not prepared by the appraiser in accordance with, or does not fully comply with, all applicable regulations of any regulatory agency having jurisdiction over Mortgagee.

3.2 Mortgagor covenants with and warrants and represents to Mortgagee that at closing of the loan secured hereby Mortgagor will be lawfully seized, possessed and the owner of and will have good and indefeasible, marketable fee simple title to the Land and Mortgagor will hold good and marketable title in the balance of the Mortgaged Property, free and clear of all liabilities, claims, debts, exceptions, security interests, assessments, charges, impositions, levies, taxes, liens and all other types of encumbrances (hereinafter referred to as the "Encumbrances") except (I) the Encumbrances of Mortgagee, (II) those Encumbrances described on Exhibit B attached hereto and made a part of hereof, and (III) any existing Leases to a tenant or tenants in possession of all or portions of the Premises previously disclosed in writing to Mortgagee (Subparagraphs 3.2(I), (II) and (III) are collectively referred to as the "Permitted Encumbrances").

3.3 Mortgagor covenants with and warrants and represents to Mortgagee as follows:

(i) Mortgagor will not change the use or character of or abandon the Mortgaged Property and at all times hereafter shall keep the Mortgaged Property in good condition and repair and will not commit or suffer waste and will make all necessary repairs, replacements and renewals (including the replacement of any items of the Equipment) to the Mortgaged Property so that the value and operating efficiency thereof shall at all times hereafter be maintained and preserved. Mortgagor shall not remove any fixture except in the ordinary course of business; provided that any fixture, building or improvement so removed is either replaced or is not a material portion of the Mortgaged Property, or demolish any building or improvement located in or on the Premises without the consent of the Mortgagee, which shall not be unreasonably withheld. Mortgagor shall pay for and complete, within a reasonable time, any building or improvement at any time in the process of erection upon the Premises, shall refrain from impairing or diminishing the value of the Mortgaged Property and shall make no material alterations to the Mortgaged Property which in the reasonable opinion of Mortgagee diminishes its value, and, promptly shall repair, restore or rebuild any building or improvement now or hereafter on the Premises which may become damaged or destroyed. Mortgagor shall comply with all requirements of law and all municipal ordinances governing the Mortgaged Property and the use thereof. Mortgagor shall permit Mortgagee, and its agents, upon reasonable advance notice, access to inspect the Mortgaged Property at all reasonable times; provided, however, Mortgagee shall not unreasonably interfere with the tenants of the Mortgaged Property.

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(ii) Subject to the provisions of Paragraph 4.2, Mortgagor shall promptly pay and discharge, as and when due and payable, before any penalty attaches, all charges, impositions, levies, assessments and taxes (whether general, special or otherwise), water charges, sewer service charges and all other municipal or governmental charges, impositions, levies, assessments and taxes of any kind or nature that may be at any time levied, assessed or imposed upon or against the Mortgaged Property, or any part thereof, and shall deliver to Mortgagee duplicate receipts evidencing payment thereof prior to delinquency. To prevent an Event of Default (as hereinafter defined), Mortgagor may pay in full, under protest, and in the manner provided by statute, or contest, without payment, any charge, imposition, levy, tax or assessment which Mortgagor may desire to contest; provided that Mortgagor shall proceed diligently in good faith to contest such payment and if Mortgagor does not elect to pay under protest, Mortgagor will post such bond or other security as Mortgagee may reasonably require to protect the lien of this Mortgage. If Mortgagee is required by legislative enactment or judicial decision to pay any charge, imposition, assessment, levy or tax in or to any state, municipality or government on the Mortgaged Property (or on any interest therein), this Mortgage, the Other Agreements or Borrower's Liabilities, all of Borrower's Liabilities shall be due and payable, at the election of Mortgagee, thirty (30) days after Mortgagor's receipt of notice of such election; provided, however, said election and right to elect will be unavailing and this Mortgage, the Note and the Other Agreements will be and remain in full force and effect as though said law had not been enacted or said decision had not been rendered if, notwithstanding such law or decision, Mortgagor lawfully may pay such charge, imposition, assessment, levy or tax to or for Mortgagee, and does, in fact, pay, when payable, so much thereof as, taken with interest as aforesaid, does not exceed the maximum amount of interest permitted by applicable law. If at any time the United States of America shall require internal revenue stamps to be affixed to this Mortgage, the Note or the Other Agreements, Mortgagor will pay for the same, together with any interest or penalties imposed in connection therewith.

(iii) Mortgagor shall keep the Mortgaged Property free and clear of all Encumbrances (including, but not limited to, mechanics' liens and other similar liens or claims for liens and mortgages and trust deeds irrespective of whether same are junior to the lien of this Mortgage) of any and every kind and nature, except Permitted Encumbrances, shall promptly pay or cause to be paid, as and when due and payable or when declared due and payable, any indebtedness which may become or be secured by such an Encumbrance (including a Permitted Encumbrance), immediately upon request by Mortgagee, shall deliver to Mortgagee evidence satisfactory to Mortgagee of the payment and discharge thereof.

(iv) The Note secured by the Mortgaged Property is not assumable. Without the prior written consent of Mortgagee, Borrower shall not, at any time or times hereafter, (1) sell (including any sale or other transfer pursuant to installment contract for sale or sale under articles of agreement except for installment contracts or sales under articles of agreement which have a term of less than one (1) year and under which the rights of any buyer are subject and subordinate to the lien of this Mortgage), grant an option to purchase, lease under any master lease, enter into a lease for substantially all of the Mortgaged Property (except for leases entered into in the ordinary course of business and containing terms substantially equivalent, including the amount of rent, to leases in the market wherein the Mortgaged Property is located), exchange, assign, convey, further encumber, hypothecate or otherwise transfer the Mortgaged Property and/or any part or interest in, the Mortgaged Property, assign, transfer or encumber

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the beneficial interest in any land trust which holds title to the Mortgaged Property; (2) if Borrower is a partnership, issue, sell, convey, assign or create a security interest in or otherwise transfer, pledge or hypothecate any of its partnership interest or permit any of its existing partners to sell, assign, transfer or convey any share of their interest in Borrower now owned by any of them; (3) if either Borrower is a limited liability company, issue, sell, convey, assign or create a security interest in or otherwise transfer, pledge or hypothecate any of its limited liability company interest or permit any of its existing members to sell, assign, transfer or convey any share of their participating interest in Borrower now owned by any of them; (4) if any general partner ("GP") of Borrower is a corporation, any GP shall sell or issue any shares of its capital stock, or any shareholder of any GP shall sell or transfer any shares of capital stock of any GP; (5) if Borrower is a corporation the sale, assignment (other than an inter-vivos assignment) of no more than twenty five (25%) percent in the aggregate of the issued and outstanding shares of any present stockholder of Borrower to his wife or children or to an inter-vivos trust the beneficiaries of which are either the shareholder, his wife and/or children) or pledge of more than five (5%) percent of the outstanding and issued shares of Borrower after the date hereof; (6) obtain any loan or incur any obligation of any character whether direct or indirect, the repayment or performance of which is secured by a lien on the Mortgaged Property or any interest therein. Any of the foregoing acts, occurrences or events described in clauses (1) through (6) shall be deemed to be a "Sale" hereunder and under the Note, and the Loan Documents. Mortgagee may, in its sole and absolute discretion, withhold consent to any Sale, or condition any such consent upon the payment of a fee, the partial payment of the Note, an increase in the interest rate, an increase in payments, a shortening of the term of the Note, an increase in collateral, or all or any of the foregoing requirements, together with any other requirements it may wish to impose. The foregoing list is not intended in any way to limit the requirements Mortgagee may impose nor is it intended to imply that Mortgagee is obligated to consent to any Sale.

(v) All present and future items of fixtures, equipment, furnishings or other tangible personal property of Borrower related or necessary to or used or useable in connection with any present or future building or improvement on the Premises, or the operation or business thereof, are and will be owned free and clear of all Encumbrances, except Permitted Encumbrances and Borrower will not acquire any such property subject to any such Encumbrance. Within five (5) days after request by Mortgagee, Mortgagor will cause Borrower to execute and deliver to Mortgagee a security agreement and financing statements, in form and substance acceptable to Mortgagee, covering all such property.

(vi) With respect to the Mortgaged Property and the operation and business thereof, Mortgagor will keep or cause to be kept proper books and records, prepared in accordance with requirements of federal, state and local laws and regulations, consistently applied. Mortgagor shall permit Mortgagee and its auditors and agents from time to time during regular business hours and on reasonable notice to review Borrower's books, records and financial information.

3.4 If Mortgagor, within five (5) days after written demand from Mortgagee, shall neglect or refuse to keep the Mortgaged Property in good operating condition and repair, replace or maintain the same as herein agreed, to pay the premiums for the insurance which is required to be maintained hereunder, to pay and discharge all Encumbrances as herein agreed or

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Borrower otherwise defaults in the performance of Borrower's Obligations, (or, if such actions can not be completed within five (5) days, shall fail within five (5) days to begin, or at any time thereafter shall fail to diligently pursue, such actions), Mortgagee, at its sole election, may cause such repairs or replacements to be made, obtain such insurance, pay such Encumbrances or perform such of Borrower's Obligations. Any amounts paid by Mortgagee in taking such action, together with interest thereon at the Default Rate (as hereinafter defined) from the date of Mortgagee's payment thereof until repaid by Borrower to Mortgagee, shall be due and payable by Borrower to Mortgagee upon demand, and, until paid, shall constitute a part of Borrower's Liabilities secured by this Mortgage and bear interest at the Default Rate. Notwithstanding the foregoing, such advances by Mortgagee shall not be deemed to relieve Mortgagor from an Event of Default hereunder or impair any right or remedy consequent thereon. The exercise of the right to take such action shall be optional with Mortgagee and not obligatory upon Mortgagee and Mortgagee shall not in any case be liable to Borrower for failure or refusal to exercise any such right. In making any payments pursuant to the exercise of any such right, Mortgagee may rely upon any bills delivered to it by Mortgagor or any such payee and shall not be liable for any failure to make payments in any amounts other than as set forth in any such bills.

3.5 Mortgagor covenants that it shall not grant or modify any existing easements which benefit or burden the Mortgaged Property or grant or modify any licenses relating to the Mortgaged Property or the operation thereof, without in each instance obtaining the prior written consent of Mortgagee. Mortgagor shall grant such easements, cross-easements and rights of way in, to, on, over, through or under all or a part of the Mortgaged Property necessary for ingress and egress, passage and parking of vehicles, passage of pedestrians, installation, maintenance, repair, replacement, removal and use of roadways and sidewalks and installation, operation, maintenance, repair, replacement, relocation, removal and use of public facilities and utilities.

4. TAXES, INSURANCE AND CONDEMNATION

4.1 (A) Mortgagor at all times, shall keep and maintain the Mortgaged Property fully insured (without co-insurance): against loss or damage by, or resulting from, fire and such other hazards with comprehensive general public liability insurance, with combined single limit for bodily injury, and such other insurance, in amounts and with insurance companies, as may be reasonably required by Mortgagee from time to time. Mortgagor will give immediate written notice to Mortgagee of any material loss or damage to the Mortgaged Property caused by any casualty. In the event of foreclosure of this Mortgage or assignment hereof by Mortgagee or transfer of title to the Mortgaged Property in extinguishment of Borrower's Liabilities, all right, title and interest of Mortgagor in and to any policies then in force shall pass to the purchaser, grantee or assignee.

(B) Full power is hereby conferred on Mortgagee:

- (i) to settle and compromise all claims under all policies;
- (ii) to demand, receive and issue a receipt for all monies becoming due and/or payable under all policies;

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(iii) to execute, in the name of Mortgagor or in the name of Mortgagee, any proofs of loss, notices or other instruments in connection with all claims under all policies; provided, however, that so long as no Event of Default shall exist hereunder, Mortgagee shall not exercise such power without the consent of Mortgagor; and

(iv) to assign all policies to any holder of Borrower's Liabilities or to the grantee of the Mortgaged Property in the event of the foreclosure of this Mortgage or other transfer of title to the Mortgaged Property.

(C) In the event of payment under any of the policies, the proceeds of the policies shall be paid by the insurer to Mortgagee, and Mortgagee, in its sole and absolute discretion, may:

(i) apply such proceeds, wholly or partially, after deducting all costs of collection, including reasonable attorneys' fees, either (i) toward the alteration, reconstruction, repair or restoration of the Mortgaged Property or any portion thereof, in which event Mortgagee must give its prior written approval to all plans and specifications for the alteration, reconstruction, repair or restoration of the Mortgaged Property; or (ii) as a payment on account of Borrower's Liabilities (without affecting the amount or time of subsequent installment payments required to be made by Borrower to Mortgagee under the Note), whether or not then due or payable; or

(ii) deliver the same to Mortgagor.

(D) All insurance proceeds now or hereafter disbursed for the benefit of Mortgagor in any way, manner or respect affecting, arising from or relating to the Mortgaged Property, or any portion thereof, are hereby assigned to Mortgagee as additional security for the payment of Borrower's Liabilities (and for such purpose, Mortgagor hereby grants to Mortgagee a security interest therein).

(E) Notwithstanding the foregoing in the event the Mortgaged Property suffers a casualty loss resulting in a claim for less than twenty-five (25%) percent of the Mortgaged Property's appraised value, Mortgagee shall, after deducting the costs of the collection thereof, if any, make the insurance proceeds available to Mortgagor for repair and restoration, provided: (a) the proceeds are deposited with the Mortgagee; (b) an Event of Default has not occurred or is continuing; (c) the insurance carrier does not deny liability to a named insured; (d) the Mortgagee shall be furnished with an estimate of the costs of restoration accompanied by an architect's certification as to such costs and appropriate plans and specifications; (e) if the estimated costs of reconstruction shall exceed the proceeds available Mortgagor shall furnish a bond of completion or such other evidence satisfactory to the Mortgagee of the Mortgagor's ability to meet with excess costs; (f) disbursement of the proceeds during the costs of reconstruction shall be upon an architect's certification as to the costs of the work done and evidence that there are no liens arising upon the reconstruction. No payment made prior to the final completion of work shall exceed ninety percent (90%) of the value of the work performed from time to time and at all times the undisbursed balance of said proceeds remaining in the hands of Mortgagee shall be at least sufficient to pay for the costs of completion of the work free and clear of all liens; (g) final payment shall be upon an architects' certificate as to

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completion in accordance with approved plans and specifications.

4.2 (A) If requested by Mortgagee, Mortgagor shall deposit with Mortgagee monthly as and when payments are due under the Note, a sum equal to one-twelfth (1/12th) of Mortgagee's reasonable estimate of the total annual impositions, insurance premiums, levies, taxes and assessments arising with respect to the Mortgaged Property which will next become due and payable. Subject to the provisions of this Paragraph, Mortgagee shall pay, when and to whom due and payable under applicable contracts or law, to and including the maturity date, all of the aforesaid impositions, levies, taxes and assessments. Notwithstanding the foregoing, Mortgagee does not hereby assume any of Mortgagor's obligations under said laws to make such payments and nothing contained herein, in the Note or the Other Agreements shall require Mortgagee to perform any such obligations of Borrower except for the making of the aforesaid payments in accordance with and subject to the above specified terms. Mortgagee shall not be obligated to make such payments, except to the extent of deposits held in escrow hereunder.

(B) If the deposits required by this Paragraph 4.2 are insufficient to pay the impositions, levies, taxes, insurance premiums or assessments for which they are provided, Mortgagee shall give notice to Mortgagor and Mortgagor shall deposit with Mortgagee such additional monies as are necessary to pay, in full, such obligations.

(C) Mortgagee shall not be liable for failure to pay, when due, any such impositions, insurance premiums, levies, taxes or assessments. Upon payment, in full, of Borrower's Liabilities, Mortgagee shall deliver any remaining amount of the aforesaid deposits to or at direction of Mortgagor or the then owner of the Mortgaged Property.

(D) All of the aforesaid deposits hereby are pledged, as additional security for the payment of Borrower's Liabilities (and for such purpose, Mortgagor hereby grants to Mortgagee a security interest therein), to be applied by Mortgagee for the purposes hereinabove set forth and shall not be subject to the control of Borrower. No interest shall be paid Mortgagor on any of the foregoing deposits. Upon the occurrence of an Event of Default hereunder, Mortgagee, at its option and in its sole discretion, may apply any monies held pursuant to Sub-Paragraph (A) above on account of any of Borrower's Liabilities, in such order or priority as Mortgagee may elect.

4.3 (A) All awards now or hereafter made by any public or quasi-public authority to or for the benefit of Mortgagor in any way, manner or respect affecting, arising from or relating to the Mortgaged Property, or any portion thereof, by virtue of an exercise of the right of eminent domain by such authority (including, but not limited to, any award for taking of title, possession or right of access to a public way, or for any change of grade of streets affecting the Mortgaged Property) hereby are assigned to the Mortgagee as additional security for the payment of Borrower's Liabilities (and for such purpose, Mortgagor hereby grants to Mortgagee a security interest therein);

(B) Mortgagee shall and hereby is authorized, directed and empowered to collect and receive the proceeds of any such awards from the authorities making the same and to give proper receipts therefor (in Mortgagor's name, in Mortgagee's name or in both names). Mortgagee may, in its sole and absolute discretion, use such proceeds for any one or more of

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the following purposes:

(1) to apply the same, or any part thereof, to Borrower's Liabilities, whether or not then matured and without affecting the amount or time of subsequent installment payments required to be made by Borrower to Mortgagee under the Note;

(2) to use the same, or any part thereof, to satisfy, perform or discharge any of Borrower's Obligations;

(3) to use the same, or any part thereof, to replace, repair or restore any or all of the Mortgaged Property to a condition satisfactory to Mortgagee, and Mortgagee must give its prior written approval to the plans and specifications for any such replacement, repair or restoration; or

(4) to release the same to Mortgagor.

(C) Mortgagor, immediately upon request by Mortgagee, shall make, execute and deliver and/or cause to be made, executed and delivered to and/or for the benefit of Mortgagee any and all assignments and other instruments sufficient to assign, and cause the payment directly to Mortgagee of, all such awards, free and clear of all Encumbrances, except Permitted Encumbrances. Notwithstanding any taking by eminent domain, alteration of the grade of any street or other injury to or decrease in value of the Mortgaged Property by any public or quasi-public authority or corporation, Mortgagor shall continue to pay all of Borrower's Liabilities, as and when due and payable, until any such award or payment shall have been actually received by Mortgagee, and any reduction in Borrower's Liabilities resulting from the application by Mortgagee of such award or payment as herein set forth shall be deemed to take effect only on the date of such receipt. If, prior to the receipt by Mortgagee of such award or payment, the Mortgaged Property shall have been sold on foreclosure of this Mortgage, Mortgagee shall have the right to receive such award or payment to the extent of any deficiency found to be due upon such sale, with legal interest thereon, whether or not a deficiency judgment on this Mortgage shall have been sought or recovered or denied, and of the reasonable attorneys' fees, costs, expenses and disbursements incurred by Mortgagee in connection with the collection of such award or payment.

5. ASSIGNMENT OF RENTS AND LEASES

5.1 All of the Rents arising from the Leases are hereby absolutely and unconditionally assigned, transferred and conveyed to Mortgagee as security for the payment of Borrower's Liabilities. Prior to the occurrence of an Event of Default under this Mortgage, Mortgagor shall have the right to collect all of the Rents arising from the Leases, or renewals thereof, and shall hold the same to be applied first to the payment of all impositions, levies, interest, assessments and other charges upon the Mortgaged Property, secondly to the cost of the maintenance of insurance policies upon the Mortgaged Property required hereby, thirdly to the maintenance and repairs required hereby and lastly to the payment of any scheduled payment of Borrower's Liabilities then due and owing, before using any part of the Rents for any other purposes.

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5.2 At all times and at reasonable intervals (prior to the occurrence of an Event of Default hereunder), any of Mortgagee's agents shall have the right to verify the validity, amount or any other matter relating to any or all of the Leases, by mail, telephone, telegraph or otherwise, in the name of Mortgagee, a nominee of Mortgagee or in any or all of said names.

5.3 If an Event of Default shall occur or exist:

(i) Mortgagor's right to use the Rents is terminated and any Rents then or thereafter coming into Mortgagor's possession are to be held in trust by Mortgagor for the benefit of Mortgagee in a segregated manner and immediately delivered to Mortgagee, and Mortgagor shall have no rights to use the Rents for any purpose whatsoever without the prior written consent of Mortgagee.

(ii) To the extent permitted by applicable law, Mortgagee may, without notice and without bringing any action or proceeding or by a receiver appointed by a court, take possession of the Mortgaged Property and have, hold, manage, lease and operate the Mortgaged Property on such terms and for such period of time as Mortgagee may deem proper. Mortgagee shall not be liable for any loss sustained by Mortgagor resulting from Mortgagee's failure to lease portions of the Premises or from any other act or omission of Mortgagee in managing the Mortgaged Property (unless such loss is caused by the willful misconduct and bad faith of Mortgagee).

(iii) Immediately upon demand by Mortgagee, Mortgagor shall deliver to Mortgagee the originals of the Leases, with appropriate endorsement and/or other specific evidence of assignment thereto to Mortgagee which endorsement and/or assignment shall be in form and substance acceptable to Mortgagee.

(iv) Mortgagee, then or at any time or times thereafter, at its sole election, without notice thereof to Mortgagor, may notify any or all of the obligors of the Leases that the Leases have been assigned to Mortgagee and Mortgagee (in its name, in the name of Mortgagor or in both names) may direct said obligors thereafter to make all payments due from them under the Leases directly to Mortgagee.

(v) Mortgagor, immediately upon demand by Mortgagee, unconditionally shall direct all obligors of the Leases then and thereafter to make all payments then and thereafter due from them under the Leases directly to Mortgagee.

(vi) Mortgagee shall have the right at any time or times thereafter, at its sole election, without notice thereof to Mortgagor, to enforce the terms of the Leases and obtain payment of and collect the Rents, by legal proceedings or otherwise, in the name of Mortgagor, Mortgagee or in both names.

(vii) Mortgagor, irrevocably hereby designates, makes, constitutes and appoints Mortgagee (and all persons designated by Mortgagee) as Mortgagor's true and lawful attorney and agent in fact with power, without notice to Mortgagor and at such time or times thereafter as Mortgagee, at its sole election, may determine, in the name of Mortgagor, Mortgagee or in both names: (a) to demand payment of the Rents and performance of the Leases; (b) to enforce

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payment of the Rents and performance of the Leases, by legal proceedings or otherwise; (c) to exercise all of Mortgagor's rights, interests and remedies in and under the Leases and to collect the Rents; (d) to settle, adjust, compromise, extend or renew the Leases and/or the Rents; (e) to settle, adjust or compromise any legal proceeding brought to collect the Rents or obtain performance of the Leases; (f) to take control, in any manner, of the Rents; (g) to prepare, file and sign Mortgagor's name on any Proof of Claim in bankruptcy, or similar document in a similar proceeding, against obligors of the Leases; (h) to endorse the name of Mortgagor upon any payments or proceeds of the Rents and to deposit the same to the account of Mortgagee; and (i) to do all acts and things necessary, in Mortgagee's sole discretion, to carry out any or all of the foregoing.

(viii) All of the foregoing payments and proceeds received by Mortgagee shall be utilized by Mortgagee, at its sole election in its sole discretion, for any one or more of the following purposes: (a) to be held by Mortgagee as additional collateral for the payment of Borrower's Liabilities; (b) to be applied to Borrower's Liabilities, in such manner and fashion and to such portions thereof as Mortgagee, at its sole election, shall determine; (c) to be applied to such obligations of Mortgagor or the Mortgaged Property or the operations or business thereof as Mortgagee, at its sole election, shall determine appropriate or warranted under the then existing circumstances; or (d) to be remitted to Mortgagor.

6. DEFAULT

6.1 The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Mortgage:

- (i) Failure of Borrower to pay when due any of Borrower's Liabilities.
- (ii) A petition is filed by or against Borrower seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency (and in the case of an involuntary petition, such petition is not discharged within thirty (30) days of its filing), or the Borrower consents to or acquiesces in the appointment of any trustee, receiver or master or liquidator of itself or of all the rent, revenues, issues, earnings, profits or income of the Borrower to the Mortgaged Property; or a custodian, receiver, or trustee for any of the Mortgaged Property is appointed, or if the Borrower makes an assignment for the benefit of creditors, or if the Borrower is adjudged bankrupt or insolvent by any state or federal court of competent jurisdiction, or an attachment or execution is levied against any of the Mortgaged Property.
- (iii) Borrower's obtaining any additional or future advances, or incurring any additional indebtedness or obligations of any character, the repayment or performance of which is secured by a lien on or an interest in the Mortgaged Property, without the prior written consent of Mortgagee.
- (iv) The occurrence or existence of a "Default" or "Event of Default" under the Loan Documents or under any other agreement, instrument, or document evidencing and/or

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securing and/or guarantying all or any portion of the indebtedness secured hereby, which is not cured within any applicable grace or cure periods.

(v) Any Sale, as described in or contemplated by Paragraph 3.3(iv) above, without Mortgagee's written consent.

(vi) The occurrence or existence of any default, event of default, or breach of or under any other agreement, instrument or document for borrowed money, or the acceleration of any obligation for borrowed money, by which the Mortgaged Property or the Borrower is bound or obligated, which is not cured within any applicable grace or cure periods.

(vii) Failure of Borrower to promptly, fully and faithfully satisfy, perform, discharge, observe and comply with each and every of Borrower's Obligations.

6.2 Upon the occurrence or existence of an Event of Default, Mortgagee, after notice and demand insofar as required hereby, or by applicable law, in its sole discretion and at its sole election, without notice of such election, and without further demand, may do any one or more of the following:

(i) Declare all of Borrower's Liabilities immediately due and payable and collect the same at once by foreclosure or otherwise, without notice of broken covenant or condition.

(ii) Subject to the rights of the tenants of the Mortgaged Property, either with or without process of law, forcibly or otherwise, enter upon and take immediate possession of the Mortgaged Property, expel and remove any persons, goods or chattels occupying or located on the Mortgaged Property, receive all Rents, and issue receipts therefore, manage, control and operate the Mortgaged Property as fully as Mortgagor might do if in possession thereof, including, without limitation, the making of all repairs and replacements deemed necessary by Mortgagee and the leasing of the same, or any part thereof, from time to time, and, after deducting all reasonable attorneys' and paralegals' fees and all costs and expenses incurred in the protection, care, maintenance, management and operation of the Mortgaged Property, apply the remaining net income, if any, to Borrower's Liabilities or upon any deficiency decree entered in any foreclosure proceeding. At the option of Mortgagee, such entry and taking of possession shall be accomplished either by actual entry and possession or by written notice served in the manner of Paragraph 7.1 by registered mail to the Mortgagor at the address of Mortgagor last appearing on the records of Mortgagee. Mortgagor agrees to surrender possession of the Mortgaged Property to Mortgagee immediately upon the occurrence of an Event of Default. If Mortgagor shall remain in physical possession of the Mortgaged Property, or any part thereof, after any such Event of Default, such possession shall be as a tenant of Mortgagee, and Mortgagor agrees to pay to Mortgagee, or to any receiver appointed as provided below, after such Event of Default, a reasonable monthly rental for the Mortgaged Property, or the part thereof so occupied by the Mortgagor, to be applied as provided above in the first sentence of this Sub-Paragraph, and to be paid in advance on the first day of each calendar month, and, in default of so doing, Mortgagor may be dispossessed by the usual summary proceedings. In the event Mortgagor or Mortgagor's lessee shall so remain in possession of all, or any part of, the Mortgaged Property, said reasonable monthly rental shall be in amounts

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established by Mortgagee in its sole discretion. This covenant shall be effective irrespective of whether any foreclosure proceeding shall have been instituted and irrespective of any application for, or appointment of, a receiver.

(iii) File one or more suits at law or in equity for the foreclosure of the lien of this Mortgage. At its option, Mortgagee may foreclose the lien of this Mortgage upon less than all of the Mortgaged Property and specifically reserves the right to bring future foreclosure actions with respect to the balance of the Mortgaged Property or portions thereof. In the event of the commencement of any such suit by Mortgagee, Mortgagee shall have the right, either before or after sale, without notice and without requiring bond (notice and bond being hereby waived), without regard to the solvency or insolvency of Borrower at the time of application and without regard to the then value of the Mortgaged Property or whether the same is then occupied, to make application for and obtain the appointment of a receiver for the Mortgaged Property. Such receiver shall have the power to collect the Rents during the pendency of such suit and, in case of a sale and a deficiency, during the full statutory period of redemption or not, as well as during any further times when Borrower, except for the intervention of such receiver, would be entitled to collect the Rents, and shall have all other powers which may be necessary or usual in such cases for the protection, possession, control, management and operation of the Mortgaged Property. The court before which such suit is pending may from time to time authorize the receiver to apply the net income in his hands in payment, in whole or in part, of Borrower's Liabilities.

(iv) Exercise any other remedies or rights permitted or provided under or by the laws or decisions of the State of Illinois (including all remedies and rights of a secured party under the Uniform Commercial Code of the State of Illinois), accruing to a mortgagee and/or secured party in connection with either a recourse or nonrecourse loan upon a default by a mortgagor and/or debtor or otherwise available in equity or under the Other Agreements.

6.3 Upon the occurrence of an Event of Default under this Mortgage, there will be added to and included as part of Borrower's Liabilities (and allowed in any decree for sale of the Mortgaged Property or in any judgment rendered upon this Mortgage or the Note) the following: the costs, charges, expenses and reasonable attorneys' and other fees specified in Paragraph 6.4 below; any and all expenditures which may be paid or incurred by or on behalf of Mortgagee for appraisers' fees, documentary and expert evidence, stenographers' charges, publication costs, fees and expenses for examination of title, title searches, guaranty policies, and similar data and assurances with respect to the title to the Mortgaged Property, interest at the default rate, as provided in the Note upon a Default thereunder (the "Default Rate"); all prepayment or like premiums, if any, provided for in the Note; and all other fees, costs and expenses which Mortgagee deems necessary to prosecute any remedy it has under this Mortgage, or to inform bidders at any sale which may be had pursuant to its rights hereunder, of the true condition of title or of the value of the Mortgaged Property. All such costs, charges, expenses, prepayment or like premiums, fees and other expenditures shall be a part of Borrower's Liabilities, secured by this Mortgage, payable on demand and, except for the aforesaid Interest at the Default Rate and the prepayment or like premiums, shall bear interest at the Default Rate from the date of Mortgagee's payment thereof until repaid to Mortgagee.

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6.4 If foreclosure proceedings are instituted upon this Mortgage, or if Mortgagee shall be a party to, shall intervene, or file any petition, answer, motion or other pleading in any suit or proceeding (bankruptcy or otherwise) relating to the Loan Documents, or Borrower's Liabilities, in which Mortgagee has been involved as a result of being the holder or mortgagee, or if Mortgagee shall incur or pay any expenses, costs, charges or reasonable attorneys' and paralegals' fees by reason of the employment of counsel to represent Mortgagee in connection with amendments, modifications or subsequent agreements requested by Borrower, or to represent Mortgagee in connection with any occurrence which results in an Event of Default, whether in court proceedings or otherwise, such expenses and all of Mortgagee's reasonable attorneys' and paralegals' fees shall be part of Borrower's Liabilities, secured by this Mortgage, payable on demand and shall bear interest at the Default Rate from the date of Bank's payment thereof until repaid to Mortgagee; provided, however, if Mortgagee shall bring a suit or proceeding against Borrower on any claimed Event of Default and a court of competent jurisdiction shall hold that no Event of Default exists or occurred, Borrower shall not be liable to Mortgagee for any reasonable attorneys' or paralegals' fees or expenses in connection with such suit or proceeding or any interest thereon or Interest at the Default Rate.

6.5 The proceeds of any sale of the Mortgaged Property shall be applied and distributed, first, on account of the fees, charges, costs and expenses described in Paragraph 6.3 above, secondly, to the balance of Borrower's Liabilities, and thirdly, the surplus, if any, to Mortgagor. Payment of the purchaser to the Mortgagee at any sale shall satisfy the obligation of the purchaser at such sale and such purchaser shall not be bound to look after the application thereof.

6.6 In the event of the commencement of judicial proceedings to foreclose this Mortgage, Mortgagor, on behalf of itself, its successors and assigns, and each and every person it may legally bind acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage: (i) does hereby expressly waive any and all rights of appraisal, valuation, stay, extension and (to the extent permitted by law) redemption from sale under any order or decree of foreclosure of this Mortgage; and (ii) does hereby agree that when sale is had under any decree of foreclosure of this Mortgage, upon confirmation of such sale, the master in chancery or other officer making such sale, or his successor in office, shall be and is authorized immediately to execute and deliver to purchaser at such sale a deed conveying the Mortgaged Property, showing the amount paid therefore, or if purchased by the person in whose favor the order or decree is entered, the amount of his bid therefore. The Mortgagor acknowledges that the transaction of which this Mortgage is a part is a transaction which does not include either agricultural real estate, as defined in Section 15-1201 of the Illinois Mortgage Foreclosure Law (Chapter 735, Act 5 Sections 15-1101 et seq., Illinois Compiled Statutes) (herein called the "Act"), or residential real estate, as defined in Section 15-1219 of the Act, and to the full extent permitted by law, hereby voluntarily and knowingly waives its rights to reinstatement and redemption as allowed under Section 15-1601(b) of the Act, and to the full extent permitted by law, the benefits of all present and future valuation, appraisal, homestead, exemption, stay, redemption and moratorium laws under any state or federal law.

6.7 Mortgagee shall have the right to become the purchaser at any sale, and as purchaser purchasing at any such sale shall have the right to credit upon the amount of the bid made therefore, to the extent necessary to satisfy such bid, the Borrower's Liabilities owing to

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such Mortgagee, or, if such Mortgagee holds less than all of Borrower's Liabilities, the pro rata part thereof owing to such Mortgagee, accounting to all other purchasers not joining in such bid in cash for the portion of such bid or bids apportionable to such non-bidding purchaser or purchasers.

6.8 To the full extent Mortgagor may do so, Mortgagor agrees that it will not at any time insist upon, plead, claim or take the benefit or advantage of any law now or hereafter in force providing for any appraisal, valuation, stay, extension or redemption, and Mortgagor and its successors and assigns, and for any and all persons ever claiming any interest in Borrower's Liabilities, to the extent permitted by law, hereby waives and releases all rights of redemption, valuation, appraisal, stay of execution, notice of intention to mature or declare due the whole of the Borrower's Liabilities, notice of election to mature or declare due the whole of the Borrower's Liabilities and all rights to a marshaling of the assets of Borrower, including Mortgaged Property, or to a sale in inverse order of alienation in the event of foreclosure of the liens and security interests hereby created. Borrower shall not have or assert any right under any statute or rule of law pertaining to the marshaling of assets, sale in inverse order of alienation, the exemption of homestead, the administration of estates of decedents, or other matters whatever to defeat, reduce or affect the right of the Mortgagee under the terms of this Mortgage to a sale of Mortgaged Property for the collection of the Borrower's Liabilities without any prior or different resort for collection, or the right of the Mortgagee under the terms of this Mortgage to the payment of such indebtedness out of the proceeds of sale to Mortgagee in preference to every other claimant whatever. If any law referred to in this paragraph and now in force, of which Borrower or its representatives, successors and assigns and such other persons claiming any interest in Mortgaged Property might take advantage despite this paragraph, shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to preclude the application of this paragraph.

6.9 Mortgagee shall have the right from time to time to bring any action to enforce any rights under the terms of this Mortgage or the Loan Documents, without prejudice to the right of the Mortgagee thereafter to bring an action of foreclosure, or any other action, for an Event of Default by the Mortgagor existing at the time such earlier action was commenced.

6.10 No right or remedy of Mortgagee hereunder is exclusive of any other right or remedy hereunder or now or hereafter existing at law or in equity, but is cumulative and in addition thereto and the holder of the Note may recover judgment thereon, issue execution therefore, and resort to every other right or remedy available at law or in equity, without first exhausting or affecting or impairing the security or any right or remedy afforded by this Mortgage. No delay in exercising, or omission to exercise, any such right or remedy will impair any such right or remedy or will be construed to be a waiver of an Event of Default by Mortgagor hereunder, or acquiescence therein, nor will it affect any subsequent Event of Default hereunder by Mortgagor of the same or different nature. Every such right or remedy may be exercised independently or concurrently, and when and so often as may be deemed expedient by Mortgagee. No terms or conditions contained in this Mortgage or the Note may be waived, altered or changed except as evidenced in writing signed by Mortgagor and Mortgagee.

6.11 Mortgagee shall release this Mortgage by proper instrument upon payment and discharge of all of Borrower's Liabilities, including all prepayment or like premiums, if any

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provided for in the Note and payment of all costs, expenses and fees, including attorneys' fees, incurred by Mortgagee for the preparation, execution and/or recording of such release.

6.12 Upon occurrence of an Event of Default and following acceleration by Mortgagee of the maturity of Borrower's Liabilities as provided herein, a tender of payment thereof by Mortgagor, or any other party, or a payment thereof received upon or on account of a sale or foreclosure of this Mortgage or Mortgagee's exercise of any of its other rights or remedies under other Loan Documents or under any applicable law or in equity shall be deemed to be a voluntary prepayment made by Borrower of the Note and, therefore, such payment must, to the extent permitted by law, include the interest at the Default Rate payable upon a default, contained in the Note.

6.13 (A) Any agreements between Borrower and Mortgagee are expressly limited so that, in no event whatsoever, whether by reason of disbursement of the proceeds of the loan evidenced by the Note or otherwise, shall the amount paid or agreed to be paid to Mortgagee for the use, detention or forbearance of the loan proceeds to be disbursed exceed the highest lawful rate permissible under any law which a court of competent jurisdiction may deem applicable thereto.

(B) If fulfillment of any provision herein or in the Note, at the time performance of such provision becomes due, involves exceeding such highest lawful rate, then ipso facto, the obligation to fulfill the same shall be reduced to such highest lawful rate. If by any circumstance Mortgagee shall ever receive an interest an amount which would exceed such highest lawful rate, the amount which may be deemed excessive interest shall be applied to the principal of Borrower's Liabilities and not to interest.

(C) The terms and provisions of this Paragraph shall control all other terms and provisions contained herein, in the Note or in the Other Agreements.

6.14 Any failure of Mortgagee to insist upon the strict performance by Borrower of any of the terms and provisions of the Loan Documents, this Mortgage, or the Note shall not be deemed to be a waiver of any of the terms and provisions thereof, and Mortgagee, notwithstanding any such failure, shall have the right at any time or times thereafter to insist upon the strict performance by Borrower of any and all of the terms and provisions thereof to be performed by Borrower. Borrower or any other person now or hereafter obligated for the payment of the whole or any part of Borrower's Liabilities, shall not be relieved of such obligation by reason of the sale, conveyance or other transfer of the Mortgaged Property or the failure of Mortgagee to comply with any request of Borrower, or of any other person, to take action to foreclose this Mortgage or to sell the Mortgaged Property or otherwise enforce any of the provisions of this Mortgage, the Other Agreements or the Note, or by reason of the release, regardless of consideration, of the whole or any part of the security held for Borrower's Liabilities, or by reason of any agreement or stipulation between any subsequent owner or owners of the Mortgaged Property and Mortgagee extending the time of payment or modifying without first having obtained the consent of Borrower or such other person, and, in the latter event, Borrower, and all such other persons, shall continue to be liable on account of Borrower's Liabilities and to make such payments according to the terms of any such agreement, extension or modification unless expressly released and discharged in writing by Bank. Bank, without

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notice, may release, regardless of consideration, any part of the security held for Borrower's Liabilities, without, as to the remainder of the security therefore, in any way impairing or affecting the lien of this Mortgage or the priority of such lien over any subordinate lien. Mortgagee may resort for the payment of Borrower's Liabilities to any other security therefore held by the Mortgagee in such order and manner as Mortgagee may elect.

6.15 Upon and after the occurrence of an Event of Default under this Mortgage, Mortgagee shall not be obligated to accept any cure or attempted cure by Borrower, except to the extent otherwise specifically provided hereunder or required by applicable law; however, if Mortgagee accepts such cure, Mortgagee shall not exercise rights or remedies under Paragraphs 5 or 6 of this Mortgage unless and until a separate or additional Event of Default then exists hereunder.

6.16 It is understood and agreed that neither the exercise by Mortgagee of any of its rights or remedies under this Mortgage shall be deemed to make Mortgagee a "mortgagee-in-possession" or otherwise responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment or operation of all or any portion thereof, unless and until Mortgagee, in person or by agent, assumes actual possession thereof. Nor shall appointment of a receiver for the Mortgaged Property by any court at the request of Mortgagee or by agreement with Borrower, or the entering into possession of the Mortgaged Property or any part thereof by such receiver, be deemed to make Mortgagee a mortgagee-in-possession or otherwise responsible or liable in any manner with respect to the Mortgaged Property or the use, occupancy, enjoyment or operation of all or any portion thereof.

6.17 (A) In the event that any provision in this Mortgage shall be inconsistent with any provision of the Act the provisions of the Act shall take precedence over the provisions of this Mortgage, but shall not invalidate or render unenforceable any other provision of this Mortgage that can be construed in a manner consistent with the Act.

(B) If any provision of this Mortgage shall grant to Mortgagee any rights or remedies upon default of the Mortgagor which are more limited than the rights that would otherwise be vested in Mortgagee under the Act in the absence of said provision, Mortgagee shall be vested with the rights granted in the Act to the full extent permitted by law.

(C) Without limiting the generality of the foregoing, all expenses incurred by Mortgagee to the extent reimbursable under Sections 15-1510 and 15-1512 of the Act, whether incurred before or after any decree or judgment of foreclosure, and whether enumerated in this Mortgage, shall be added to the indebtedness secured by this Mortgage or by the judgment of foreclosure.

7. MISCELLANEOUS

7.1 Every provision for notice, demand or request required in this Mortgage, or by applicable law shall be deemed fulfilled by written notice, demand or request personally served on, mailed or delivered by nationwide courier to the party entitled thereto or on its successors

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or assigns. If mailed, such notice, demand or request shall be made by certified or registered mail, and deposited in any post office station or letter-box, enclosed in a postage paid envelope addressed to such party at its address set forth below or to such other address as either party hereto shall direct by like written notice and shall be deemed to have been made on the third (3rd) day of posting as aforesaid. If notice is served by nationwide courier, notice shall be deemed made on the first business day following delivery to the courier. For the purposes herein, notices shall be sent to Mortgagor and Mortgagee as follows:

To Mortgagor:

Madison Manor 2 Development, L.L.C.
937 W. Randolph
Suite 2 East
Chicago, IL 60607

To Mortgagee:

Commercial Loan Corporation
1900 Spring Road, Suite 500
Oak Brook, IL 60523
Attention: Peter Hueser

The failure to deliver or send any courtesy copy provided for above shall not affect the validity and effectiveness of any notice given hereunder. Any person may change the address for the giving of notice by giving notice as provided herein.

7.2 All the covenants contained in this Mortgage will run with the land. Time is of the essence of this Mortgage and all provisions herein relating thereto shall be strictly construed.

7.3 This Mortgage, and all the provisions hereof, will be binding upon and inure to the benefit of the successors and assigns, or heirs and personal representatives, as the case may be, of the Mortgagor and Mortgagee.

7.4 This Mortgage shall be governed as to validity, interpretation, construction, effect and in all other respects by the laws and decisions of the State of Illinois.

7.5 At no time shall this Mortgage secure indebtedness due Mortgagee in excess of Fifty Million and No/100 (\$50,000,000.00) Dollars.

7.6 Any provision of this Mortgage which is unenforceable in any state in which this Mortgage may be filed or recorded or is invalid or contrary to the law of such state, or the inclusion of which would affect the validity, legality or enforcement of this Mortgage, shall be of no effect, and in such case all the remaining terms and provisions of this Mortgage shall subsist and be fully effective according to the tenor of this Mortgage, the same as though no such invalid portion had ever been included herein.

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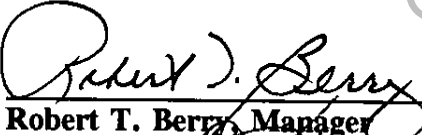
7.7 Wherever a power of attorney is conferred upon Mortgagee hereunder, it is understood and agreed that such power of attorney is conferred with full power of substitution, and Mortgagee may elect in its sole discretion to exercise such power itself or to delegate such power, or any part thereof to one or more sub-agents.

7.8 Nothing herein shall be deemed or construed, nor shall the exercise by Mortgagee of any rights, privileges or remedies conferred under this Mortgage, the Note or the Other Agreements, to render Mortgagee and Borrower as joint venturers or partners in any way with respect to the Mortgaged Property.

7.9 This Mortgage secures an obligation incurred for the construction of improvements on the land mortgaged herein and constitutes a "construction mortgage" within the meaning of Section 9-313(1) of the Illinois Uniform Commercial Code. The proceeds of the loan secured hereby are to be disbursed by Mortgagee to Mortgagor in accordance with the provisions contained in a Commercial Construction Loan and Security Agreement between Borrower and Mortgagee dated of even date herewith (the "Construction Loan Agreement"). All advances and indebtedness arising and accruing under the Construction Loan Agreement from time to time, shall be secured hereby to the same extent as though the Construction Loan Agreement were fully incorporated in this Mortgage and the occurrence of any event of default under the Construction Loan Agreement shall constitute a default under this Mortgage entitling Mortgagee to all of the rights and remedies conferred upon Mortgagee by the terms of this Mortgage or by law, as in the case of any other default. In the event of conflict between this Mortgage and the Construction Loan Agreement, the Construction Loan Agreement shall prevail.

IN WITNESS WHEREOF, the Mortgagor has executed this Mortgage as of the day and year first above set forth.

MADISON MANOR 2 DEVELOPMENT, L.L.C.,
an Illinois limited liability company

By: 
Robert T. Berry, Manager

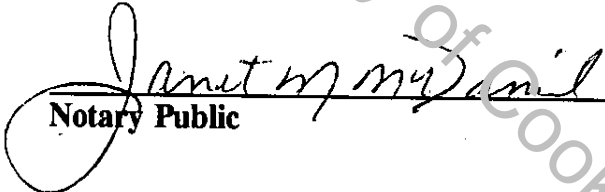
By: 
Enrico F. Plati, Manager

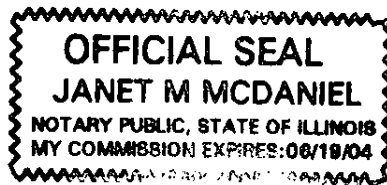
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

The undersigned, a Notary Public in and for said County, in the State aforesaid, DOES HEREBY CERTIFY that ROBERT T. BERRY and ENRICO F. PLATI, personally known to me to be the Managers of MADISON MANOR 2 DEVELOPMENT, L.L.C., an Illinois limited liability company, are the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, and as the free and voluntary act of such limited liability company for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this day 24 of April, 2001.


Notary Public



My Commission Expires:

6-19-04

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EXHIBIT A TO MORTGAGE

LEGAL DESCRIPTION

Lots 1 to 10, inclusive, in William Hale Thompson's Subdivision of Lots 17 to 26, inclusive, in S. F. Gale's Subdivision of Block 52 of Carpenter's Addition to Chicago, a Subdivision of the Southeast 1/4 of Section 8, Township 39 North, Range 14, East of the Third Principal Meridian in Cook County, Illinois.

ADDRESS: 900-920 W. Madison, Chicago, Illinois

P.I.N.: 17-08-443-004-0000

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EXHIBIT B TO MORTGAGE

PERMITTED ENCUMBRANCES

1. General real estate taxes for 2000 and subsequent years not yet due and payable.

Property of Cook County Clerk's Office