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Cook County Recorder 80.50

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Sonnenschein Nath & Rosenthal
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New York, New York 10020
Attention: Gary A. Gociman, Esq.

[RN 121]

**AMENDED AND RESTATED FIRST MORTGAGE,
SECURITY AGREEMENT AND FIXTURE FILING**

Property of Cook County Clerk's Office

**AMENDED AND RESTATED FIRST
MORTGAGE, SECURITY AGREEMENT AND FIXTURE FILING**

This Amended and Restated First Mortgage, Security Agreement and Fixture Filing (this "**Mortgage**") is executed as of March 17, 2003, by RN 540 HOTEL COMPANY L.L.C., a Delaware limited liability company ("**Mortgagor**"), whose address for notice hereunder is c/o The John Buck Company, One North Wacker Drive, Suite 2400, Chicago, Illinois 60606 and LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE, whose address for notice is 420 Fifth Avenue, 24th Floor, New York, New York 10018-2729, as Agent for the benefit of the Lenders (the "**Mortgagee**").

ARTICLE 1

DEFINITIONS

Section 1.1 **Definitions**. As used herein, the following terms shall have the following meanings:

(a) "**Indebtedness**": The sum of all (1) principal, interest and other amounts due under or secured by the Loan Documents, (2) principal, interest and other amounts which may hereafter be loaned by the Lenders, their successors or assigns, to or for the benefit of the owner of the Mortgaged Property, when evidenced by promissory notes or other instruments which, by their terms, are secured hereby, and (3) all other indebtedness, obligations and liabilities now or hereafter existing of any kind of Mortgagor to Mortgagee or the Lenders under documents which recite that they are intended to be secured by this Mortgage.

(b) "**Lenders**": The syndicate of Banks that are parties to the Loan Agreement.

(c) "**Loan Documents**": (1) The Amended and Restated Loan Agreement of even date between Mortgagor, RN 120 Company, L.L.C., Mortgagee and the Lenders (the "**Loan Agreement**"), (2) the series of seven (7) Amended and Restated Replacement Promissory Notes of even date, executed by Mortgagor, payable to the order of the Lenders, collectively having an aggregate stated principal amount of \$34,500,000 (collectively, together with all promissory notes delivered in substitution or exchange therefor, in each case as the same may be consolidated, severed, split, modified, amended or extended from time to time, the "**Notes**"), which mature on March 9, 2006 but the maturity thereof may be extended to March 9, 2007, as provided in the Loan Agreement, (3) this Mortgage, (4) all other documents now or hereafter executed by Mortgagor, or any other person or entity to evidence or secure the payment of the Indebtedness or the performance of the Obligations and (5) all modifications, restatements, extensions, renewals and replacements of the foregoing.

(d) "**Mortgaged Property**": All of Mortgagor's right, title and interest in and to (1) the real property described in Exhibit A hereto, together with any greater estate therein as hereafter may be acquired by Mortgagor (the "**Land**"), (2) all buildings, structures and other improvements, now or at any time situated, placed or constructed upon the Land (the "**Improvements**"), (3) all fixtures (as defined in the UCC hereinafter described), including,

without limitation, all materials, supplies, equipment, fixtures, apparatus and other items of personal property now owned or hereafter acquired by Mortgagor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, and water, gas, electrical, storm and sanitary sewer facilities and all other utilities whether or not situated in easements (the "Fixtures"), (4) all equipment (as defined in the UCC) not owned by, paid for by or leased from third parties and now or at any time hereafter placed upon or used in any way in connection with the occupancy or operation of the Improvements or the Land (the "Equipment"), (5) any and all goods, accounts, general intangibles (including payment intangibles), deposit accounts, instruments, investment property, commercial tort claims, letter of credit rights, letters of credit, money, documents, chattel paper (as such terms are defined in the UCC) and all other personal property of any kind or character, including such items of personal property as defined in the UCC, now owned or hereafter acquired by Mortgagor and now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Land and Improvements or which may be used in or relating to the planning, development, financing or operation of the Mortgaged Property, including, without limitation, furniture, furnishings, equipment, machinery, money, insurance proceeds, accounts, contract rights, trademarks, goodwill, chattel paper, documents, trade names, licenses and/or franchise agreements, rights of Mortgagor under leases of Fixtures or other personal property or equipment, inventory, all refundable, returnable or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Mortgagor with any governmental authorities, boards, corporations, providers of utility services, public or private, including specifically, but without limitation, all refundable, returnable or reimbursable tap fees, utility deposits, commitment fees and development costs (the "Personalty"), (6) all reserves, escrows or impounds required under the Loan Agreement and all deposit accounts maintained by Mortgagor with respect to the Mortgaged Property, (7) all plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of the Improvements, and all amendments and modifications thereof (the "Plans"), (8) all leases, subleases, licenses, concessions, rental contracts, occupancy agreements or other agreements (written or oral, now or at any time in effect) which grant a possessory interest in, or the right to use, all or any part of the Mortgaged Property, together with all guarantees, modifications, extensions and renewals thereof and any related security and other deposits (the "Leases"), (9) all of the rents, revenues, income, proceeds, profits, security and other types of deposits, and other benefits paid or payable by parties to the Leases other than Mortgagor for using, leasing, licensing, possessing, operating from, residing in, selling or otherwise enjoying the Mortgaged Property (the "Rents"), (10) all other agreements, such as construction contracts, architects' agreements, engineers' contracts, utility contracts, maintenance agreements, management agreements, service contracts, permits, licenses, certificates and entitlements in any way relating to the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition or ownership of the Mortgaged Property (the "Property Agreements"), (11) all rights, privileges, tenements, hereditaments, rights-of-way, easements, appendages and appurtenances appertaining to the foregoing, and all right, title and interest, if any, of Mortgagor in and to any streets, ways, alleys, strips or gores of land adjoining the Land or any part thereof, (12) all accessions, replacements and substitutions for any of the foregoing and all proceeds thereof, (13) all insurance policies, unearned premiums therefor and proceeds from such policies covering any of the above property now or hereafter acquired by Mortgagor, (14) all mineral, water, oil and gas rights now or hereafter acquired and relating to all or any part of the

Mortgaged Property, (15) any awards, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any governmental authority pertaining to the Land, Improvements, Fixtures or Personalty and (16) to the extent assignable, all software embedded within or used in connection with any of the property described above; provided, however, that the "Secondary Consideration" referred to in that certain Turnkey Purchase and Sale Agreement dated July 6, 1998 between RN 120 LLC and Equity Inns Partnership, L.P. shall not be deemed to be a portion of "Mortgaged Property". As used in this Mortgage, the term "Mortgaged Property" shall mean all or, where the context permits or requires, any portion of the above or any interest therein.

(e) "**Obligations**": All of the agreements, covenants, conditions, warranties, representations and other obligations (other than to repay the Indebtedness) made or undertaken by Mortgagor or any other person or entity to Mortgagee, the Lenders or others as set forth in the Loan Documents.

(f) "**Original Mortgage**": That certain First Mortgage, Security Agreement and Fixture Filing executed by Mortgagor in favor of Mortgagee, recorded in the Register's Office of Cook County, Illinois on March 10, 2000 as Instrument No. 00175458.

(g) "**Permitted Encumbrances**": The outstanding liens, easements, restrictions, security interests and other exceptions to title set forth in the policy of title insurance insuring the lien of this Mortgage, together with the liens and security interests in favor of Mortgagee created by the Loan Documents, none of which, individually or in the aggregate, materially interferes with the benefits intended to be provided by this Mortgage, materially and adversely affects the value of the Mortgaged Property, impairs the use or operations of the Mortgaged Property, or impairs Mortgagor's ability to pay its obligations in a timely manner.

(h) "**UCC**": The Uniform Commercial Code of the State of Illinois or, if the creation, perfection and enforcement of any security interest herein granted is governed by the laws of a state other than Illinois, then, as to the matter in question, the Uniform Commercial Code in effect in that state.

ARTICLE 2

GRANT

Section 2.1 **Grant**. To secure the full and timely payment of the Indebtedness and the full and timely performance of the Obligations, Mortgagor MORTGAGES, GRANTS, BARGAINS, SELLS and CONVEYS, to Mortgagee (on behalf of the Lenders) the Mortgaged Property, subject, however, to the Permitted Encumbrances, TO HAVE AND TO HOLD the Mortgaged Property to Mortgagee and Mortgagor does hereby bind itself, its successors and assigns to WARRANT AND FOREVER DEFEND the title to the Mortgaged Property unto Mortgagee.

ARTICLE 3

WARRANTIES, REPRESENTATIONS AND COVENANTS

Mortgagor warrants, represents and covenants to Mortgagee and the Lenders as follows:

Section 3.1 **Title to Mortgaged Property and Lien of this Instrument.** Mortgagor owns the Mortgaged Property free and clear of any liens, claims or interests, except the Permitted Encumbrances. This Mortgage creates valid, enforceable first priority liens and security interests against the Mortgaged Property.

Section 3.2 **First Lien Status.** Mortgagor shall preserve and protect the first lien and security interest status of this Mortgage and the other Loan Documents. If any lien or security interest other than the Permitted Encumbrances is asserted against the Mortgaged Property, Mortgagor shall promptly, and at its expense, (a) give Mortgagee a detailed written notice of such lien or security interest (including origin, amount and other terms), and (b) pay the underlying claim in full or take such other action so as to cause it to be released or contest the same in compliance with the requirements of the Loan Agreement (including the requirement of providing a bond or other security satisfactory to Mortgagee).

Section 3.3 **Payment and Performance.** Mortgagor shall pay the Indebtedness when due under the Loan Documents and shall perform the Obligations in full when they are required to be performed.

Section 3.4 **Replacement of Fixtures and Personalty.** Mortgagor shall not, without the prior written consent of Mortgagee, permit any of the Fixtures or Personalty to be removed at any time from the Land or Improvements, unless the removed item is removed temporarily for maintenance and repair or, if removed permanently, is obsolete and is replaced by an article of equal or better suitability and value, owned by Mortgagor subject to the liens and security interests of this Mortgage and the other Loan Documents, and free and clear of any other lien or security interest except such as may be first approved in writing by Mortgagee.

Section 3.5 **Maintenance of Rights of Way, Easements and Licenses.** Mortgagor shall maintain all rights of way, easements, grants, privileges, licenses, certificates, permits, entitlements and franchises necessary for the use of the Mortgaged Property and will not, without the prior consent of Mortgagee, consent to any public restriction (including any zoning ordinance) or private restriction as to the use of the Mortgaged Property. Mortgagor shall comply with all restrictive covenants affecting the Mortgaged Property, and all zoning ordinances and other public or private restrictions as to the use of the Mortgaged Property.

Section 3.6 **Inspection** Mortgagor shall permit Mortgagee, each Lender and Mortgagee's and the Lenders' agents, representatives and employees, upon reasonable prior notice to Mortgagor, to inspect the Mortgaged Property and conduct such environmental and engineering studies as Mortgagee may require, provided that such inspections and studies shall not materially interfere with the use and operation of the Mortgaged Property.

Section 3.7 **Other Covenants**. All of the covenants in the Loan Agreement are incorporated herein by reference and, together with covenants in this Article 3, shall be covenants running with the land. The covenants set forth in the Loan Agreement include, among other provisions: (a) the prohibition against the further sale, transfer or encumbering of any of the Mortgaged Property, (b) the obligation to pay when due all taxes on the Mortgaged Property or assessed against Mortgagee with respect to the Loan, (c) the right of Mortgagee and the Lenders to inspect the Mortgaged Property, (d) the obligation to keep the Mortgaged Property insured as Mortgagee may require, (e) the obligation to comply with all legal requirements (including environmental laws), maintain the Mortgaged Property in good condition, and promptly repair any damage or casualty, and (f) except as otherwise permitted under the Loan Agreement, the obligation of Mortgagor to obtain Mortgagee's consent prior to entering into, modifying or taking other actions with respect to Leases.

Section 3.8 **Condemnation Awards and Insurance Proceeds**.

(a) **Condemnation Awards**. Mortgagor assigns all awards and compensation for any condemnation or other taking, or any purchase in lieu thereof, to Mortgagee (on behalf of the Lenders) and authorizes Mortgagee to collect and receive such awards and compensation and to give proper receipts and acquittances therefor, subject to the terms of the Loan Agreement.

(b) **Insurance Proceeds**. Mortgagor assigns to Mortgagee all proceeds of any insurance policies insuring against loss or damage to the Mortgaged Property. Mortgagor authorizes Mortgagee to collect and receive such proceeds and authorizes and directs the issuer of each of such insurance policies to make payment for all such losses directly to Mortgagee, instead of to Mortgagor and Mortgagee jointly, subject to the terms of the Loan Agreement.

ARTICLE 4

DEFAULT AND FORECLOSURE

Section 4.1 **Remedies**. If an Event of Default (as defined in the Loan Agreement) exists, Mortgagee may, at Mortgagee's election, exercise any or all of the following rights, remedies and recourses:

(a) **Acceleration**. Declare the Indebtedness to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Mortgagor), whereupon the same shall become immediately due and payable.

(b) **Entry on Mortgaged Property**. Enter the Mortgaged Property and take exclusive possession thereof and of all books, records and accounts relating thereto. If Mortgagor remains in possession of the Mortgaged Property after an Event of Default and without Mortgagee's prior written consent, Mortgagee may invoke any legal remedies to dispossess Mortgagor.

(c) **Operation of Mortgaged Property**. Hold, lease, develop, manage, operate or otherwise use the Mortgaged Property upon such terms and conditions as Mortgagee may deem reasonable under the circumstances (making such repairs, alterations, additions and

improvements and taking other actions, from time to time, as Mortgagee deems necessary or desirable), and apply all Rents and other amounts collected by Mortgagee in connection therewith in accordance with the provisions of Section 4.7.

(d) **Foreclosure and Sale.** Institute proceedings for the complete foreclosure of this Mortgage, in which case the Mortgaged Property may be sold for cash or credit in one or more parcels. With respect to any notices required or permitted under the UCC, Mortgagor agrees that five (5) days' prior written notice shall be deemed commercially reasonable. At any such sale by virtue of any judicial proceedings or any other legal right, remedy or recourse, the title to and right of possession of any such property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Mortgagor shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the property sold and such sale shall be a perpetual bar both at law and in equity against Mortgagor, and against all other persons claiming or to claim the property sold or any part thereof, by, through or under Mortgagor. Mortgagee, the Lenders or their nominee may be a purchaser at such sale and if Mortgagee, the Lenders or such nominee is the highest bidder, may credit the portion of the purchase price that would be distributed to Mortgagee (on behalf of the Lenders) against the Indebtedness in lieu of paying cash.

(e) **Receiver.** Make application to a court of competent jurisdiction for, and obtain from such court as a matter of strict right and without notice to Mortgagor or regard to the adequacy of the Mortgaged Property for the repayment of the Indebtedness, the appointment of a receiver of the Mortgaged Property, and Mortgagor irrevocably consents to such appointment. Any such receiver shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Mortgaged Property upon such terms as may be approved by the court, and shall apply such Rents in accordance with the provisions of Section 4.7.

(f) **Other.** Exercise all other rights, remedies and recourses granted under the Loan Documents or otherwise available at law or in equity (including an action for specific performance of any covenant contained in the Loan Documents, or a judgment on the Note either before, during or after any proceeding to enforce this Mortgage).

Section 4.2 **Separate Sales.** The Mortgaged Property may be sold in one or more parcels and in such manner and order as Mortgagee in its sole discretion, may elect; the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 4.3 **Remedies Cumulative, Concurrent and Nonexclusive.** Mortgagee shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including the UCC), which rights (a) shall be cumulative and concurrent, (b) may be pursued separately, successively or concurrently against Mortgagor or others obligated under the Note and the other Loan Documents, or against the Mortgaged Property, or against any one or more of them, at the sole discretion of Mortgagee, (c) may be exercised as often as occasion therefor shall arise, and the exercise or failure to exercise any of them shall not be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. No action by Mortgagee or any Lender in the enforcement of any

rights, remedies or recourses under the Loan Documents or otherwise at law or equity shall be deemed to cure any Event of Default.

Section 4.4 **Release of and Resort to Collateral.** Mortgagee may release, regardless of consideration and without the necessity for any notice to a consent by the holder of any subordinate lien on the Mortgaged Property, any part of the Mortgaged Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or their stature as a first and prior lien and security interest in and to the Mortgaged Property. For payment of the Indebtedness, Mortgagee and the Lenders may resort to any other security in such order and manner as Mortgagee and the Lenders may elect.

Section 4.5 **Waivers, Notice and Marshalling of Assets.** To the fullest extent permitted by law, Mortgagor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Mortgagor by virtue of any present or future statute of limitations or law or judicial decision exempting the Mortgaged Property from attachment, levy or sale on execution, or exemption from civil process, (b) all notices of any Event of Default or of Mortgagee's and the Lenders' election to exercise or their actual exercise of any right, remedy or recourse provided for under the Loan Documents, and (c) any right to a marshalling of assets or a sale in inverse order of alienation.

Section 4.6 **Discontinuance of Proceedings.** If Mortgagee and/or the Lenders shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon it for any reason, Mortgagee and the Lenders shall have the unqualified right to do so and, in such an event, Mortgagor, Mortgagee and the Lenders shall be restored to their former positions with respect to the Indebtedness, the Obligations, the Loan Documents, the Mortgaged Property and otherwise, and the rights, remedies, recourses and powers of Mortgagee and the Lenders shall continue as if the right, remedy or recourse had never been invoked, but no such discontinuance or abandonment shall waive any Event of Default which may then exist or the right of Mortgagee or the Lenders thereafter to exercise any right, remedy or recourse under the Loan Documents for such Event of Default.

Section 4.7 **Application of Proceeds.** The proceeds of any sale of and the Rents and other amounts generated by the holding, leasing, management, operation or other use of the Mortgaged Property, shall be applied by Mortgagee (or the receiver, if one is appointed) in the following order unless otherwise required by applicable law:

(a) to the payment of the costs and expenses of taking possession of the Mortgaged Property and of holding, using, leasing, repairing, improving and selling the same, including, without limitation (1) receiver's fees and expenses, (2) court costs, (3) attorneys' and accountants' fees and expenses, (4) costs of advertisement, and (5) the payment of all ground rent, real estate taxes and assessments, except any taxes, assessments or other charges subject to which the Mortgaged Property shall have been sold;

(b) to the payment of all amounts (including interest thereon), other than the unpaid principal balance of the Notes and accrued but unpaid interest, which may be due to Mortgagee and/or the Lenders under the Loan Documents;

(c) to the payment of the Indebtedness and performance of the Obligations in such manner and order of preference as Mortgagee in its sole discretion may determine; and

(d) the balance, if any, to the payment of the persons legally entitled thereto.

Section 4.8 **Occupancy After Foreclosure.** The purchaser at any foreclosure sale pursuant to Section 4.1(d) shall become the legal owner of the Mortgaged Property. All occupants of the Mortgaged Property shall, at the option of such purchaser, become tenants of the purchaser at the foreclosure sale and shall deliver possession thereof immediately to the purchaser upon demand. It shall not be necessary for the purchaser at said sale to bring any action for possession of the Mortgaged Property other than the statutory action of forcible detainer in any justice court having jurisdiction over the Mortgaged Property.

Section 4.9 Additional Advances and Disbursements; Costs of Enforcement.

(a) If any Event of Default exists, Mortgagee and the Lenders shall have the right, but not the obligation, to cure such Event of Default in the name and on behalf of Mortgagor. All sums advanced and expenses incurred at any time by Mortgagee or the Lenders under this Section 4.9, or otherwise under this Mortgage or any of the other Loan Documents or applicable law, shall bear interest from the date that such sum is advanced or expense incurred, to and including the date of reimbursement, computed at the Default Rate (as defined in the Loan Agreement), and all such sums, together with interest thereon, shall be secured by this Mortgage.

(b) Mortgagor shall pay all expenses (including reasonable attorneys' fees and expenses) of or incidental to the perfection and enforcement of this Mortgage and the other Loan Documents and the security interests created by the foregoing, or the enforcement, compromise or settlement of the Indebtedness or any claim under this Mortgage and the other Loan Documents, and for the curing thereof, or for defending or asserting the rights and claims of Mortgagee and the Lenders in respect thereof, by litigation or otherwise.

Section 4.10 **No Mortgagee in Possession.** Neither the enforcement of any of the remedies under this Article 4 the assignment of the Rents and Leases under Article 5, the security interests under Article 6 nor any other remedies afforded to Mortgagee and/or the Lenders under the Loan Documents, at law or in equity shall cause Mortgagee or any Lender to be deemed or construed to be a mortgagee in possession of the Mortgaged Property, to obligate Mortgagee or any Lender to lease the Mortgaged Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise.

Section 4.11 **Waiver of Redemption and Reinstatement.** Mortgagor further agrees, to the full extent permitted by law, that in case of an Event of Default, neither Mortgagor nor anyone claiming through or under it will set up, claim or seek to take advantage of any appraisal, valuation, stay or extension laws now or hereafter in force, or take any other action that would prevent or hinder the enforcement of foreclosure of this Mortgage or the

absolute sale of the Mortgaged Property, or the final and absolute delivery of possession thereof, immediately after such foreclosure sale, of the purchaser thereat. Mortgagor, for itself and all who may, at any time, claim through or under it, hereby waives, to the full extent that it may lawfully so do, the benefit of all such laws, and any and all right to have the assets comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof, and agrees that Mortgagee or any court having jurisdiction to foreclose such lien may sell the Mortgaged Property in part or as an entirety. Mortgagor acknowledges that the transaction of which this Mortgage is a part is a transaction that does not include either agricultural real estate (as defined in Section 15-1201 of the Illinois Mortgage Foreclosure Law (735 ILCS 1/15-1101 et seq.; the "Act") or residential real estate (as defined in Section 15-1219 of the Act). On behalf of Mortgagor, and each and every person acquiring any interest in, or title to, the Mortgaged Property subsequent to the date of this Mortgage, and on behalf of all other persons, to the maximum extent permitted by applicable law, Mortgagor hereby waives any and all rights: (x) of redemption from any foreclosure, or other disposition of any kind or nature, of the Mortgaged Property, or any part thereof, or interest therein, under or pursuant to rights herein granted to Mortgagee; and (y) to reinstatement of the indebtedness hereby secured, including, without limitation, any right to reverse any acceleration of such indebtedness pursuant to 735 ILCS 5/15-1602. All waivers by Mortgagor in this Mortgage have been made voluntarily, intelligently and knowingly by Mortgagor, after Mortgagor has been afforded an opportunity to be informed by counsel of Mortgagor's choice as to possible alternative rights. Mortgagor's execution of this Mortgage shall be conclusive evidence of the making of such waivers and that such waivers have been voluntarily, intelligently and knowingly made.

Section 4.12 **Compliance with Illinois Mortgage Foreclosure Law**. In the event that any provision in this Mortgage shall be inconsistent with any provision of the Illinois Mortgage Foreclosure Law (735 Illinois Compiled Statutes 5 Sections 15-1101 et seq.)(herein called 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. Furthermore, if any provision of this Mortgage grants to Mortgagee any rights or remedies, upon default of Mortgagor, that 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. 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.

ARTICLE 5

ASSIGNMENT OF RENTS AND LEASES

Section 5.1 **Assignment**. Mortgagor acknowledges and confirms that it has executed and delivered to Mortgagee (on behalf of the Lenders) an Amended and Restated First Assignment of Rents and Leases of even date (the "**Assignment of Rents and Leases**"), intending that such instrument create a present, absolute assignment to Mortgagee of the Leases and Rents. Without limiting the intended benefits or the remedies provided under the

Assignment of Rents and Leases, Mortgagor hereby assigns to Mortgagee (on behalf of the Lenders), as further security for the Indebtedness and the Obligations, the Leases and Rents. While any Event of Default exists, Mortgagee shall be entitled to exercise any or all of the remedies provided in the Assignment of Rents and Leases and in Article 4 hereof, including the right to have a receiver appointed. If any conflict or inconsistency exists between the assignment of the Rents and the Leases in this Mortgage and the absolute assignment of the Rents and the Leases in the Assignment of Rents and Leases, the terms of the Assignment of Rents and Leases shall control.

ARTICLE 6

SECURITY AGREEMENT

Section 6.1 **Security Interest**. This Mortgage constitutes both a real property mortgage and a "security agreement," within the meaning of the UCC, and the Mortgaged Property includes both real and personal property and all other rights and interest, whether tangible or intangible in nature, of Mortgagor in the Mortgaged Property. Mortgagor by executing and delivering this Mortgage has granted to Mortgagee, as security for the Indebtedness, a security interest in the Personalty, the Fixtures, the Plans, the Leases, the Rents, the Property Agreements, the Equipment and all other Mortgaged Property which is collateral under the UCC (collectively, the "Personal Property"). If Mortgagor shall default under this Mortgage or the other Loan Documents beyond any applicable cure period, Mortgagee, in addition to any other rights and remedies which it may have, shall have and may exercise immediately and without demand, any and all rights and remedies granted to a secured party upon default under the UCC, including, without limiting the generality of the foregoing, the right to take possession of the Personal Property or any part thereof, and to take such other measures as Mortgagee may deem necessary for the care, protection and preservation of the Personal Property. Upon request or demand of Mortgagee, Mortgagor shall at its expense assemble the Equipment and make it available to Mortgagee at a convenient place acceptable to Mortgagee. Mortgagor shall pay to Mortgagee on demand any and all expenses, including legal expenses and attorneys' fees, incurred or paid by Mortgagee in protecting its interest in the Equipment and in enforcing its rights hereunder with respect to the Equipment. Any notice of sale, disposition or other intended action by Mortgagee with respect to the Equipment sent to Mortgagor in accordance with the provisions of this Mortgage at least ten (10) days prior to the date of any such sale, disposition or other action, shall constitute reasonable notice to Mortgagor, and the method of sale or disposition or other intended action set forth or specified in such notice shall conclusively be deemed to be commercially reasonable within the meaning of the UCC unless objected to in writing by Mortgagor within five (5) days after receipt by Mortgagor of such notice. The proceeds of any sale or disposition of the Equipment, or any part thereof, may be applied by Mortgagee to the payment of the Indebtedness in such order, priority and proportions as Mortgagee in its discretion shall deem proper. If any change shall occur in Mortgagor's name, Mortgagor shall promptly cause to be filed at its own expense, new financing statements as required under the UCC to replace those on file in favor of Mortgagee.

Section 6.2 **Financing Statements**. Mortgagor shall file and/or hereby authorizes Mortgagee to file, at Mortgagor's expense, such financing, amendment and/or continuation statements as Mortgagee believes is necessary or desirable to create, perfect and/or preserve

Mortgagee's security interest hereunder. Mortgagor shall promptly notify Mortgagee if Mortgagor (a) re-domesticates to another state, (b) moves its chief executive office to another state, (c) changes its name, (d) is merged into another entity or (e) moves any of its tangible personal property to another state, unless such personal property is replaced by similar property of equal or greater value. For purposes of such filings, Mortgagor agrees to furnish any information requested by Mortgagee promptly upon Mortgagee's request. Mortgagor is a registered organization (as defined in the UCC), organized solely under the laws of the State of Delaware. Mortgagor shall promptly notify Mortgagee of any change in its organizational identification number. If Mortgagor does not have an organizational identification number and later obtains one, Mortgagor promptly shall notify Mortgagee of such organization identification number.

Section 6.3 **Fixture Filing.** This Mortgage shall also constitute a "fixture filing" for the purposes of the UCC against all of the Mortgaged Property which is or is to become fixtures. Information concerning the security interest herein granted may be obtained at the addresses of Debtor (Mortgagor) and Secured Party (Mortgagee) as set forth in the first paragraph of this Mortgage. Notwithstanding the foregoing, at Mortgagee's election, Mortgagor shall also file and/or authorizes Mortgagee, to file, at Mortgagor's expense, financing statements required or permitted in the filing office (as defined in the UCC) to perfect a security interest in the Fixtures.

ARTICLE 7

MISCELLANEOUS

Section 7.1 **Notices.** Any notice required or permitted to be given under this Mortgage shall be in writing and either shall be mailed by certified mail, postage prepaid, return receipt requested, or sent by overnight air courier service, or personally delivered to a representative of the receiving party. All such communications shall be mailed, sent or delivered, addressed to the party for whom it is intended at its address set forth on the first page of this Mortgage. Any communication so addressed and mailed shall be deemed to be given on the earliest of (a) when actually delivered, (b) on the first Business Day (as defined in the Loan Agreement) after deposit with an overnight air courier service, or (c) on the third Business Day after deposit in the United States mail, postage prepaid, in each case to the address of the intended addressee, and any communication so delivered in person shall be deemed to be given when receipted for by, or actually received by, Mortgagee or Mortgagor, as the case may be. Any party may designate a change of address by written notice to the other by giving at least ten (10) days prior written notice of such change of address.

Section 7.2 **Covenants Running with the Land.** All Obligations contained in this Mortgage are intended by Mortgagor and Mortgagee to be, and shall be construed as, covenants running with the Mortgaged Property. As used herein, "**Mortgagor**" shall refer to the party named in the first paragraph of this Mortgage and to any subsequent owner of all or any portion of the Mortgaged Property (without in any way implying that Mortgagee has or will consent to any such conveyance or transfer of the Mortgaged Property). All persons or entities who may have or acquire an interest in the Mortgaged Property shall be deemed to have notice of, and be bound by, the terms of the Loan Agreement and the other Loan Documents; however, no such party shall be entitled to any rights thereunder without the prior written consent of Mortgagee.

Section 7.3 **Attorney-in-Fact**. Mortgagor hereby irrevocably appoints Mortgagee (on behalf of the Lenders) and its successors and assigns, as its attorney-in-fact, which agency is coupled with an interest, (a) to execute and/or record any notices of completion, cessation of labor or any other notices that Mortgagee deems appropriate to protect Mortgagee's interest, if Mortgagor shall fail to do so within ten (10) days after written request by Mortgagee, (b) upon the issuance of a deed pursuant to the foreclosure of this Mortgage or the delivery of a deed in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Leases, Rents, Personalty, Fixtures, Plans and Property Agreements in favor of the grantee of any such deed and as may be necessary or desirable for such purpose, (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Mortgagee's security interests and rights in or to any of the collateral, and (d) while any Event of Default exists, to perform any obligation of Mortgagor hereunder; however: (1) Mortgagee shall not under any circumstances be obligated to perform any obligation of Mortgagor; (2) any sums advanced by Mortgagee in such performance shall be added to and included in the Indebtedness and shall bear interest at the Default Rate; (3) Mortgagee as such attorney-in-fact shall only be accountable for such funds as are actually received by Mortgagee; and (4) neither Mortgagee or any Lender shall be liable to Mortgagor or any other person or entity for any failure to take any action which it is empowered to take under this Section.

Section 7.4 **Successors and Assigns**. This Mortgage shall be binding upon and inure to the benefit of Mortgagee and Mortgagor and their respective successors and assigns. Mortgagor shall not, without the prior written consent of Mortgagee, assign any rights, duties or obligations hereunder.

Section 7.5 **No Waiver**. Any failure by Mortgagee to insist upon strict performance of any of the terms, provisions or conditions of the Loan Documents shall not be deemed to be a waiver of same, and Mortgagee shall have the right at any time to insist upon strict performance of all of such terms, provisions and conditions.

Section 7.6 **Subrogation**. To the extent proceeds of the Notes have been used to extinguish, extend or renew any indebtedness against the Mortgaged Property, then Mortgagee (on behalf of the Lenders) shall be subrogated to all of the rights, liens and interests existing against the Mortgaged Property and held by the holder of such indebtedness and such former rights, liens and interests, if any, are not waived, but are continued in full force and effect in favor of Mortgagee (on behalf of the Lenders).

Section 7.7 **Loan Agreement**. If any conflict or inconsistency exists between this Mortgage and the Loan Agreement, the Loan Agreement shall govern.

Section 7.8 **Release**. Upon (i) payment in full of the Indebtedness (together with payment in full by RN 120 Company, L.L.C. of all amounts owed by it pursuant to the Loan Agreement) and performance in full of the Obligations or (ii) the satisfaction of the conditions to partial release set forth in the Loan Agreement, Mortgagee, at Mortgagor's expense, shall release the liens and security interests created by this Mortgage.

Section 7.9 **Waiver of Stay, Moratorium and Similar Rights**. Mortgagor agrees, to the full extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of any appraisal, valuation, stay, marshalling of assets, extension, redemption or moratorium law now or hereafter in force and effect so as to prevent or hinder the enforcement of the provisions of this Mortgage or the indebtedness secured hereby, or any agreement between Mortgagor and Mortgagee and/or the Lenders or any rights or remedies of Mortgagee and/or the Lenders.

Section 7.10 **Limitation on Liability**. Mortgagor's liability hereunder is subject to the limitation on liability provisions of Article 12 of the Loan Agreement.

Section 7.11 **Obligations of Mortgagor, Joint and Several**. If more than one person or entity has executed this Mortgage as "**Mortgagor**," the obligations of all such persons or entities hereunder shall be joint and several.

Section 7.12 **Governing Law**. This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois, without regard to principles of conflicts of laws.

Section 7.13 **Headings**. The Article, Section and Subsection titles hereof are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing, the text of such Articles, Sections or Subsections.

Section 7.14 **Entire Agreement**. This Mortgage, the other Loan Documents and the Loan Documents as described and defined in the Loan Agreement embody the entire agreement and understanding between Mortgagee, the Lenders and Mortgagor and supersede all prior agreements and understandings between such parties relating to the subject matter hereof and thereof. Accordingly, the Loan Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 7.15 **Cross Collateralization**. The payment of the Indebtedness is or may hereafter be further secured by other mortgages, deed of trusts, assignments of leases and rents, security agreements, financing statements, collateral assignments, pledges, contracts of guaranty and/or other additional security documents. Any default under the provisions of any such further security documents shall constitute and be a default under this Mortgage, and Mortgagee may, at its option, exhaust its remedies under any one or more of the said security documents and the security thereunder as well as the Mortgaged Property covered by this Mortgage either concurrently or independently and in such other and further manner as Mortgagee may elect, and Mortgagee may apply the proceeds received therefrom upon the Indebtedness without waiving or affecting Mortgagee's rights and remedies under this Mortgage exercised hereunder or whether contained or exercised under any other such security documents. Mortgagor and Mortgagee specifically agree that the security provided by this Mortgage is in addition to and supplemental of the other security described in the Loan Agreement. Mortgagee shall have the right to enforce this Mortgage, or any other document given as security for the Indebtedness secured hereby, or any of them, in such order and at such time as Mortgagee shall in its sole discretion elect. Mortgagee shall not be required to enforce this Mortgage or foreclose against any of the Mortgaged Property, or against any collateral other than the Mortgaged Property given as

security for the Indebtedness or any of them, as a condition to enforcing any other document given as security for the Indebtedness or any of them, and if Mortgagee elects to foreclose this Mortgage, it may do so as to all or any part of the Mortgaged Property without being required to enforce or foreclose this Mortgage or any other security instrument as to all or other portions of the Mortgaged Property or all or any portions of such other collateral. If Mortgagee shall be successful in foreclosing this Mortgage, and shall bid at a foreclosure sale, then only the amount of the successful bid shall be applied to reduce the Indebtedness, and all other amounts shall remain outstanding and shall be secured by and enforceable against other security provided for the Indebtedness or any of them. Mortgagor further agrees that if Mortgagee shall be prosecuting one or more foreclosures or other proceedings against a portion of the Mortgaged Property, or against any collateral other than the Mortgaged Property given as security for the Indebtedness, or against any of them, or if Mortgagee shall have obtained a judgment of foreclosure and sale or similar judgment against any such collateral, or shall have enforced any power of sale against any such collateral, then, whether or not such proceedings are being maintained or judgments of sale were obtained in or outside the state in which this Mortgage is recorded, Beneficiary may commence or continue foreclosure proceedings and exercise its other remedies granted in this Mortgage against all or any part of the Mortgaged Property, and Mortgagor expressly waives any objections to the commencement or continuation of a foreclosure of this Mortgage or exercise of any other remedies hereunder based on such other proceedings or judgments, and waives any right to seek to dismiss, stay, remove, transfer or consolidate either any action under this Mortgage or such other proceedings on such basis. Neither the commencement nor continuation of proceedings to foreclose this Mortgage nor the exercise of any other rights hereunder nor the recovery of any judgment by Mortgagee or conduct of any sale in any such proceedings shall prejudice, limit or preclude Mortgagee's right to commence or continue one or more foreclosures, sales or other proceedings or obtain a judgment against any other collateral (either in or outside the state in which this Mortgage is recorded), and Mortgagor expressly waives any objections to the commencement of, continuation of, or entry of a judgment in such other proceedings or exercise of any remedies in such proceedings based upon any action of judgment connected to this Mortgage, and other proceedings or any action under this Mortgage on such basis.

Section 7.16 **Underground Storage Tanks.** Mortgagor hereby represents, warrants and certifies that: (i) there are no underground storage tanks located on, under or about the Mortgaged Property that are subject to the notification requirements under Section 9002 of the Solid Waste Disposal Act, as now or hereafter amended (42 U.S.C. §6991); and (ii) there is no facility located on or at the Mortgaged Property that is subject to the reporting requirements of Section 312 of the Federal Emergency Planning and Community Right to Know Act of 1986 and the federal regulations promulgated thereunder (42 U.S.C. §11022), as "facility" is defined in RPTA.

Section 7.17 **Usury.** Mortgagor represents and warrants that the amounts secured by this Mortgage will be used for the purposes specified in paragraph 815 ILCS 205/4(1)(c), and that the principal obligation secured hereby constitutes a "business loan" within the purview of said paragraph.

Section 7.18 **Leasing and Management Agreements.** Mortgagor covenants and agrees that all agreements to pay leasing commissions (a) shall provide that the obligation to pay

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such commissions will not be enforceable against any party other than the party who entered into such agreement; (b) shall be expressly subordinate to the lien of this Mortgage; and (c) shall not be enforceable against Mortgagee. Mortgagor shall furnish Mortgagee with evidence of the foregoing which is, in all respects, satisfactory to Mortgagee. Mortgagor further covenants and agrees that all agreements to manage the Mortgaged Property (i) shall provide that the obligation to pay any amount thereunder will not be enforceable against any party other than the party who entered into such agreement; (ii) shall provide that such agreement, together with any and all liens and claims for lien that any manager or other person or entity performing the duties of a manager thereunder has, or may thereafter have thereunder, or for managing the Mortgaged Property or any part thereof, shall be, in all respects, subordinate to the lien of this Mortgage; and (iii) shall not be enforceable against Mortgagee. Mortgagor shall furnish Mortgagee with evidence of the foregoing which is, in all respects, satisfactory to Mortgagee.

Section 7.19 **Future Advances.** This Mortgage is given to secure not only existing indebtedness, but also future advances resulting from any act or omission of Mortgagor, whether such advances are obligatory or are to be made at the option of Mortgagee, or otherwise, and whether such advances are made before, during or after the pendency of any proceedings to foreclose the lien of this Mortgage or otherwise enforce the rights of Mortgagee hereunder, as are made within twenty (20) years from the date of this Mortgage, to the same extent as if such further advances were made on the date of the execution of this Mortgage. The total amount of indebtedness that may be so secured may decrease or increase from time to time, but the total unpaid principal balance so secured at one time shall not exceed five (5) times the face amount of the Note, plus both interest thereon and any disbursements made for the payment of taxes, levies or insurance on the property encumbered by this Mortgage, with interest on such disbursements at the Default Rate. The provisions of this paragraph shall not be construed to imply any obligation on Mortgagee to make any future advances, it being the intention of the parties that any future advances shall be solely at the discretion and option of the Mortgagee.

Section 7.20 **WAIVER OF JURY TRIAL.** BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT THAT IT MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION ARISING IN ANY WAY IN CONNECTION WITH THIS AGREEMENT, THE NOTE OR ANY OF THE OTHER LOAN DOCUMENTS, OR ANY OTHER STATEMENTS OR ACTIONS OF BORROWER OR LENDER. BORROWER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED IN THE SIGNING OF THIS AGREEMENT AND IN THE MAKING OF THIS WAIVER BY INDEPENDENT LEGAL COUNSEL SELECTED OF ITS OWN FREE WILL, AND THAT IS HAS DISCUSSED THIS WAIVER WITH SUCH LEGAL COUNSEL. BORROWER FURTHER ACKNOWLEDGES THAT (I) IT HAS READ AND UNDERSTANDS THE MEANING AND RAMIFICATIONS OF THIS WAIVER, (II) THIS WAIVER HAS BEEN REVIEWED BY BORROWER AND BORROWER'S COUNSEL AND IS A MATERIAL INDUCEMENT FOR LENDER TO ENTER INTO THE AGREEMENT AND THE OTHER LOAN DOCUMENTS AND (III) THIS WAIVER SHALL BE EFFECTIVE AS TO EACH OF SUCH OTHER LOAN DOCUMENTS AS IF FULLY INCORPORATED THEREIN.

Section 7.21 **Illinois Collateral Protection Act.** Unless Mortgagor provides Mortgagee with evidence of the insurance coverage required by this Mortgage, Mortgagee may purchase insurance at Mortgagor's expense to protect Mortgagee's interests in the Mortgaged

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Property. This insurance may, but need not, protect Mortgagor's interest. The coverage that Mortgagee purchases may not pay any claim that Mortgagor may make or any claim that is made against borrower in connection with the Mortgaged Property. Mortgagor may later cancel any insurance purchased by Mortgagee, but only after providing Mortgagee with evidence that borrower has obtained insurance as required by this Mortgage. If Mortgagee purchases insurance for the Mortgaged Property, Mortgagor will be responsible for the costs of such insurance, including interest and any other charges that may be imposed in connection with the placement of such insurance, until the effective date of the cancellation or expiration of such insurance. Without limitation of any other provision of this Mortgage, the cost of such insurance shall be added to the indebtedness secured hereby. The cost of the insurance may be more than the cost of insurance Mortgagor may be able to obtain on its own.

Section 7.22 **Supercedes and Replaces**. The terms, conditions, provisions, covenants, agreements, warranties and privileges, including prepayment privileges, if any, contained in the Original Mortgage are hereby modified and amended in their entirety and restated as hereafter set forth and, as so modified, amended and restated, are hereby ratified, confirmed and approved by Mortgagor as set forth in this Mortgage.

[signature page follows]

EXECUTED as of the date first above written.

RN 540 HOTEL COMPANY L.L.C.,
a Delaware limited liability company

By: RN Land Development Company, L.L.C.,
a Delaware limited liability company

By: Buck River North L.L.C.,
a Delaware limited liability company

By: *[Handwritten Signature]*

Name:

~~One of its Co-Managers~~

Authorized Signatory

Property of Cook County Clerk's Office

THE STATE OF ILLINOIS §
COUNTY OF COOK §

Before me, Cathy Owens, a Notary Public, this 13th day of March, 2003, personally appeared Kent Swanson, the authorized signatory of Buck River North L.L.C., the JBC Managing Member of RN Land Development Company, L.L.C., the authorized member of RN 540 Hotel Company L.L.C., a Delaware limited liability company, and acknowledged the execution of the foregoing instrument.

Cathy Owens

Notary Public

My Commission Expires:

2/24/2007



EXHIBIT A

[RN 121 Legal Description]

Common Address: _____

P.I.N. # _____

Property of Cook County Clerk's Office

[RN 121]

EXHIBIT A

[Legal Description]

Property of Cook County Clerk's Office

ADDRESS - 101 EAST OHIO STREET
PIN - 17-10-121-006
008
010

00175458

Legal Description - Retail Parcel Only

RETAIL PARCEL

(A-1)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 36.83 feet above Chicago City Datum and lying above 16.12 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

beginning at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 21.98 feet; thence North 90° 00' 00" West 6.11 feet; thence South 00° 00' 00" West 4.22 feet; thence Northwesterly 31.62 feet along the arc of a circle having a radius of 15.39 feet, convex Southwesterly and whose chord bears North 55° 43' 49" West 26.34 feet; thence South 90° 00' 00" East 4.05 feet; thence North 00° 00' 00" East 5.30 feet; thence North 90° 00' 00" West 70.31 feet; thence North 00° 00' 00" East 6.07 feet to a point on the North line of said Tract; thence South 90° 00' 00" East along the North line of said Tract 94.20 feet to the point of beginning, in Cook County, Illinois.

(A-2)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 36.83 feet above Chicago City Datum and lying above 19.05 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 21.98 feet; thence North 90° 00' 00" West 6.11 feet; thence South 00° 00' 00" West 4.22 feet to the point of beginning; thence South 00° 00' 00" West 8.65 feet; thence North 90° 00' 00" West 25.95 feet; thence South 00° 00' 00" West 23.90 feet; thence South 90° 00' 00" East 8.71 feet; thence South 00° 00' 00" West 5.00 feet; thence South 90° 00' 00" East 23.22 feet to a point on the East line of said Tract; thence South 00° 10' 00" West along the East line of said Tract 33.18 feet; thence North 90° 00' 00" West 77.96 feet; thence North 00° 00' 00" East 7.83 feet; thence North 90° 00' 00" West 15.59 feet; thence North 00° 00' 00" East 36.40 feet; thence North 90° 00' 00" West 15.04 feet; thence North 00° 00' 00" East 7.50 feet; thence South 90° 00' 00" East 11.72 feet; thence North 00° 00' 00" East 21.72 feet; thence South 90° 00' 00" East 4.75 feet; thence North 00° 00' 00" East 6.00 feet; thence South 90° 00' 00" East 27.43 feet; thence North 00° 00' 00" East 11.40 feet; thence South 90° 00' 00" East 41.08 feet; thence South 00° 00' 00" West 5.30 feet; thence North 90° 00' 00" West 4.05 feet; thence Southeasterly 31.62 feet along the arc of a circle having a radius of 15.39 feet, convex Southwesterly and whose chord bears South 55° 43' 49" East 26.34 feet to the point of beginning, in Cook County, Illinois.

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(A-3)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 26.84 feet above Chicago City Datum and lying above 14.65 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 21.98 feet; thence North 90° 00' 00" West 6.11 feet; thence South 00° 00' 00" West 4.22 feet; thence South 00° 00' 00" West 8.65 feet; thence North 90° 00' 00" West 25.95 feet; thence South 00° 00' 00" West 23.90 feet; thence South 90° 00' 00" East 8.71 feet; thence South 00° 00' 00" West 5.00 feet; thence South 90° 00' 00" East 23.22 feet to a point on the East line of said Tract; thence South 00° 10' 00" West along the East line of said Tract 33.18 feet; thence North 90° 00' 00" West 77.96 feet; thence North 00° 00' 00" East 7.83 feet; thence North 90° 00' 00" West 15.59 feet; thence North 00° 00' 00" East 36.43 feet; thence North 90° 00' 00" West 15.04 feet to the point of beginning; thence North 00° 00' 00" East 7.50 feet; thence South 90° 00' 00" East 11.72 feet; thence North 00° 00' 00" East 21.72 feet; thence South 90° 00' 00" East 4.75 feet; thence North 00° 00' 00" East 6.00 feet; thence North 90° 00' 00" West 1.46 feet; thence Northwesterly 24.80 feet along the arc of a circle having a radius of 18.44 feet, convex Southwesterly and whose chord bears North 50° 56' 50" West 22.97 feet; thence North 00° 00' 00" East 3.00 feet to a point on the North line of said Tract; thence North 90° 00' 00" West along the North line of said Tract 42.35 feet; thence South 00° 00' 00" West 13.53 feet; thence North 89° 59' 14" West 4.01 feet; thence South 00° 00' 00" West 40.72 feet; thence South 90° 00' 00" East 35.57 feet; thence North 00° 00' 00" East 1.55 feet; thence South 90° 00' 00" East 10.62 feet to the point of beginning, in Cook County, Illinois.

(A-4)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 21.72 feet above Chicago City Datum and lying above 19.05 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 21.98 feet; thence North 90° 00' 00" West 6.11 feet; thence South 00° 00' 00" West 4.22 feet; thence Northwesterly 31.62 feet along the arc of a circle having a radius of 15.39 feet, convex Southwesterly and whose chord bears North 55° 43' 49" West 26.34 feet; thence South 90° 00' 00" East 4.05 feet; thence North 00° 00'

00175458

Legal Description - Retail Parcel Only

00" East 5.30 feet; thence North 90° 00' 00" West 41.08 feet; thence North 90° 00' 00" West 5.56 feet; thence North 90° 00' 00" West 7.57 feet to the point of beginning; thence North 90° 00' 00" West 3.83 feet; thence South 00° 00' 00" West 11.40 feet; thence South 90° 00' 00" East 3.83 feet; thence North 00° 00' 00" East 11.40 feet to the point of beginning, in Cook County, Illinois.

(A-5)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 24.95 feet above Chicago City Datum and lying above 19.05 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 21.98 feet; thence North 90° 00' 00" West 6.11 feet; thence South 00° 00' 00" West 4.22 feet; thence Northwesterly 31.62 feet along the arc of a circle having a radius of 15.39 feet, convex Southwesterly and whose chord bears North 55° 43' 49" West 26.34 feet; thence South 90° 00' 00" East 4.05 feet; thence North 00° 00' 00" East 5.30 feet; thence North 90° 00' 00" West 41.08 feet; thence North 90° 00' 00" West 5.56 feet to the point of beginning; thence South 00° 00' 00" West 11.40 feet; thence North 90° 00' 00" West 7.57 feet; thence North 00° 00' 00" East 11.40 feet; thence South 90° 00' 00" East 7.57 feet to the point of beginning, in Cook County, Illinois.

(A-6)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 26.25 feet above Chicago City Datum and lying above 19.05 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 21.98 feet; thence North 90° 00' 00" West 6.11 feet; thence South 00° 00' 00" West 4.22 feet; thence Northwesterly 31.62 feet along the arc of a circle having a radius of 15.39 feet, convex Southwesterly and whose chord bears North 55° 43' 49" West 26.34 feet; thence South 90° 00' 00" East 4.05 feet; thence North 00° 00' 00" East 5.30 feet; thence North 90° 00' 00" West 41.08 feet to the point of beginning; thence North 90° 00' 00" West 5.56 feet; thence South 00° 00' 00" West 11.40 feet; thence South 90° 00' 00" East 5.56 feet; thence North 00° 00' 00" East 11.40 feet to the point of beginning, in Cook County, Illinois.

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Legal Description - Retail Parcel Only

RETAIL PARCEL (CONTINUED)

(A-7)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 36.83 feet above Chicago City Datum and lying above 16.12 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 21.98 feet to the point of beginning; thence North 90° 00' 00" West 6.11 feet; thence South 00° 00' 00" West 41.77 feet; thence South 90° 00' 00" East 5.98 feet to a point on the East line of said Tract; thence North 00° 10' 00" East along the East line of said Tract 41.77 feet to the point of beginning, in Cook County, Illinois.

(A-8)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 59.98 feet above Chicago City Datum and lying above 37.36 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract, thence South 00° 10' 00" West along the East line thereof 25.02 feet; thence South 00° 10' 00" West along the East line of said Tract 165.06 feet; thence North 90° 00' 00" West 33.03 feet; thence South 00° 00' 00" West 7.70 feet; thence North 90° 00' 00" West 8.33 feet; thence North 00° 00' 00" East 2.09 feet; thence North 90° 00' 00" West 12.50 feet; thence South 00° 00' 00" West 22.58 feet to a point on the South line of said Tract; thence South 89° 58' 55" West along the South line of said Tract, 112.05 feet; thence North 00° 00' 00" East 64.01 feet; thence South 90° 00' 00" East 7.23 feet to the point of beginning; thence South 90° 00' 00" East 41.74 feet; thence North 00° 00' 00" East 100.60 feet; thence North 90° 00' 00" West 38.74 feet; thence South 00° 00' 00" West 8.15 feet; thence North 90° 00' 00" West 3.00 feet; thence South 00° 00' 00" West 92.45 feet to the point of beginning, in Cook County, Illinois.

(A-9)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 50.64 feet above Chicago City Datum and lying above 36.83 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

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beginning at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 3.37 feet; thence North 90° 00' 00" West 78.00 feet; thence South 00° 00' 00" West 14.20 feet; thence South 90° 00' 00" East 45.87 feet; thence South 00° 00' 00" West 7.45 feet; thence South 90° 00' 00" East 32.07 feet to a point on the East line of said Tract; thence South 00° 10' 00" West along the East line of said Tract 165.06 feet; thence North 90° 00' 00" West 33.03 feet; thence South 00° 00' 00" West 7.70 feet; thence North 90° 00' 00" West 8.33 feet; thence North 00° 00' 00" East 2.09 feet; thence North 90° 00' 00" West 12.50 feet; thence South 00° 00' 00" West 22.58 feet to a point on the South line of said Tract; thence South 89° 58' 55" West along the South line of said Tract, 112.05 feet; thence North 00° 00' 00" East 64.01 feet; thence South 90° 00' 00" East 48.97 feet; thence North 00° 00' 00" East 101.60 feet; thence South 90° 00' 00" East 8.62 feet; thence North 00° 00' 00" East 7.50 feet; thence South 90° 00' 00" East 11.72 feet; thence North 00° 00' 00" East 19.44 feet; thence North 90° 00' 00" West 40.31 feet; thence North 00° 00' 00" East 12.49 feet; thence South 90° 00' 00" East 5.75 feet; thence North 00° 00' 00" East 13.26 feet to a point on the North line of said Tract; thence South 90° 00' 00" East along the North line of said Tract 131.72 feet to the point of beginning (except that part thereof described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 25.02 feet; thence South 00° 10' 00" West along the East line of said Tract 10.66 feet; thence North 90° 00' 00" West 6.07 feet to the point of beginning; thence South 00° 00' 00" West 18.65 feet; thence North 90° 00' 00" West 6.90 feet; thence South 00° 00' 00" West 5.00 feet; thence North 90° 00' 00" West 19.12 feet; thence North 00° 00' 00" East 23.65 feet; thence South 90° 00' 00" East 26.02 feet to the point of beginning), in Cook County, Illinois.

(A-10)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 33 North, Range 14 East of the Third Principal Meridian, said parcel lying below 47.57 feet above Chicago City Datum and lying above 36.83 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 25.02 feet; thence South 00° 10' 00" West along the East line of said Tract 165.06 feet; thence North 90° 00' 00" West 33.03 feet; thence South 00° 00' 00" West 7.70 feet; thence North 90° 00' 00" West 8.33 feet; thence North 00° 00' 00" East 2.09 feet; thence North 90° 00' 00" West 12.50 feet; thence South 00° 00' 00" West 22.58 feet to a point on the South line of said Tract; thence South 89° 58' 55" West along the South line of said Tract, 112.05 feet; thence North 00° 00' 00" East 64.01 feet; thence South 90° 00' 00" East 48.97 feet; thence North 00° 00' 00" East 101.60 feet to the point of beginning; thence South 90° 00' 00" East 8.62 feet; thence North 00° 00' 00"

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East 7.50 feet; thence South 90° 00' 00" East 11.72 feet; thence North 00° 00' 00" East 19.44 feet; thence North 90° 00' 00" West 40.31 feet; thence North 00° 00' 00" East 12.49 feet; thence South 90° 00' 00" East 5.75 feet; thence North 00° 00' 00" East 13.26 feet to a point on the North line of said Tract; thence North 90° 00' 00" West along the North line of said Tract 24.51 feet; thence South 00° 00' 00" West 53.70 feet; thence South 90° 00' 00" East 38.74 feet; thence North 00° 00' 00" East 1.00 feet to the point of beginning, in Cook County, Illinois.

(B-1)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 36.83 feet above Chicago City Datum and lying above 22.94 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 119.83 feet; thence South 00° 10' 00" West along the East line of said Tract 36.00 feet; thence North 90° 00' 00" West 24.82 feet; thence South 00° 00' 00" West 10.26 feet; thence South 90° 00' 00" East 24.79 feet to the East line of said Tract; thence South 00° 10' 00" West along the East line of said Tract 5.85 feet to point of beginning; thence North 90° 00' 00" West 50.67 feet; thence North 00° 00' 00" East 16.41 feet; thence North 90° 00' 00" West 16.28 feet; thence South 00° 00' 10" West 51.74 feet; thence South 90° 00' 00" East 6.77 feet; thence North 53° 18' 52" East 9.91 feet; thence South 90° 00' 00" East 13.31 feet; thence South 00° 00' 00" West 16.93 feet to a point on the South line of said Tract; thence North 33° 58' 55" East along the South line of said Tract 48.79 feet to the Southeast corner thereof; thence North 00° 10' 00" East along the East line of said Tract 46.32 feet to the point of beginning, in Cook County, Illinois.

(B-2)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 36.83 feet above Chicago City Datum and lying above 21.12 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 119.83 feet to point of beginning; thence South 00° 10' 00" West along the East line of said Tract 36.00 feet; thence North 90° 00' 00" West 24.82 feet; thence South 00° 00' 00" West 10.26 feet; thence South 90° 00' 00" East 24.79 feet to the East line of said Tract; thence South 00° 10' 00" West along the East line of said

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Tract 5.85 feet; thence North 90° 00' 00" West 60.67 feet; thence North 00° 00' 00" East 16.41 feet; thence North 90° 00' 00" West 16.28 feet; thence North 00° 00' 00" East 28.26 feet; thence North 90° 00' 00" West 1.33 feet; thence North 00° 00' 00" East 4.55 feet; thence South 90° 00' 00" East 1.33 feet; thence North 00° 00' 00" East 2.89 feet; thence South 90° 00' 00" East 77.10 feet to the point of beginning, in Cook County, Illinois.

(B-3)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 36.83 feet above Chicago City Datum and lying above 24.53 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 119.83 feet; thence South 00° 10' 00" West along the East line of said Tract 36.00 feet; thence North 90° 00' 00" West 24.82 feet; thence South 00° 00' 00" West 10.26 feet; thence South 90° 00' 00" East 24.79 feet to the East line of said Tract; thence South 00° 10' 00" West along the East line of said Tract 5.85 feet; thence North 90° 00' 00" West 60.67 feet; thence North 00° 00' 00" East 16.41 feet; thence North 90° 00' 00" West 16.28 feet; thence South 00° 00' 10" West 51.74 feet to point of beginning; thence South 90° 00' 00" East 6.77 feet; thence South 00° 00' 00" West 11.02 feet to a point on the South line of said Tract; thence South 89° 58' 55" West along the South line of said Tract 6.77 feet; thence North 00° 00' 00" East 11.02 feet to the point of beginning, in Cook County, Illinois.

RETAIL PARCEL (CONTINUED)

(B-4)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 21.12 feet above Chicago City Datum and lying above 8.11 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 166.09 feet to the point of beginning; thence South 00° 10' 00" West along said East line 5.85 feet; thence North 90° 00' 00" West 41.95 feet; thence North 00° 00' 00" East 16.41 feet; thence North 90° 00' 00" West 9.88 feet; thence North 00° 00' 00" East 7.50 feet; thence North 90° 00' 00" West 8.84 feet; thence North 00° 00' 00" East 30.23 feet; thence South 90° 00' 00" East 1.50 feet; thence North 00° 00' 00" East 1.44 feet; thence South 90° 00' 00" East 21.78 feet; thence South 00° 00' 00" West

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11.14 feet; thence South 90° 00' 00" East 7.95 feet; thence South 00° 00' 00" West 2.27 feet; thence South 90° 00' 00" East 4.67 feet; thence South 00° 00' 00" West 36.32 feet; thence South 90° 00' 00" East 24.79 feet to the point of beginning, in Cook County, Illinois.

(B-5)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 21.12 feet above Chicago City Datum and lying above 9.18 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 166.09 feet; thence South 00° 10' 00" West along said East line 5.85 feet; thence North 90° 00' 00" West 41.95 feet to the point of beginning; thence North 00° 00' 00" East 16.41 feet; thence North 90° 00' 00" West 9.88 feet; thence North 00° 00' 00" East 7.50 feet; thence North 90° 00' 00" West 8.84 feet; thence South 00° 00' 00" West 23.91 feet; thence South 90° 00' 00" East 18.72 feet to the point of beginning, in Cook County, Illinois.

(B-6)

A parcel being part of Block 22 (except the East 75.00 feet thereof taken for widening North Michigan Avenue), taken as a Tract in Kinzie's Addition To Chicago, being a subdivision in the North Fractional Quarter Of Section 10, Township 39 North, Range 14 East of the Third Principal Meridian, said parcel lying below 35.83 feet above Chicago City Datum and lying above 22.94 feet above Chicago City Datum and lying within the horizontal boundaries of said parcel projected vertically and described as follows:

commencing at the Northeast corner of said Tract; thence South 00° 10' 00" West along the East line thereof 119.83 feet; thence South 00° 10' 00" West along the East line of said Tract 36.00 feet to point of beginning; thence North 90° 00' 00" West 27.82 feet; thence South 00° 00' 00" West 10.26 feet; thence South 90° 00' 00" East 24.79 feet to the East line of said Tract; thence North 00° 10' 00" East along the East line of said Tract 10.26 feet to the point of beginning, in Cook County, Illinois.

TOGETHER with those easements created by Reciprocal Easement Agreement between Chicago 540 Hotel, L.L.C. and RN 540 Hotel Company, L.L.C. dated January 25, 2000 and recorded January 28, 2000 as Document Number 00072925 over the land described therein and pursuant to its terms.

TOGETHER with easement created by Emergency Exit Easement between RN 124/125 Company, L.L.C. and RN 540 Hotel Company L.L.C dated January 21, 2000 and recorded January 28, 2000 as Document No. 00072922 over the land described therein and pursuant to its terms.

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