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Doc#: 0515712080
Eugene "Gene" Moore Fee: \$38.00
Cook County Recorder of Deeds
Date: 06/06/2005 02:32 PM Pg: 1 of 8

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10937
PIN: 20-25-108-018
20-24-415-012
20-24-422-013
20-25-107-020
20-24-425-001

FHA Form No. 4116-b
(CORPORATE)
(Revised March 1971)

FHA Project Nos. 071-35500, 071-35506 and 071-35460

MORTGAGE

THIS INDENTURE, made this 31st day of May, 2005, between **SSBOK, LLC**, a limited liability company organized and existing under the laws of Illinois, Mortgagor, and **SECRETARY OF HOUSING AND URBAN DEVELOPMENT, WASHINGTON, D.C.**, Mortgagee.

WITNESSETH: That whereas the Mortgagor is justly indebted to the Mortgagee in the principal sum of **Two Million Six Hundred Fifty-three Thousand One Hundred Twenty-five and 77/100 Dollars (\$2,653,125.77)**, evidenced by its note of even date herewith, bearing interest from date on outstanding balances at **one per centum (1.0%)** per annum, said principal and interest being payable in annual installments as provided in said note with a final maturity of **June 1, 2035**, which note is identified as being secured hereby by a certificate thereon. Said note and all of its terms are incorporated hereby by reference and this conveyance shall secure any and all extensions thereof, however evidenced.

NOW, THEREFORE, the said Mortgagor, for the better securing of the payment of the said principal sum of money and interest and the performance of the covenants and agreements herein contained, does by these presents CONVEY, MORTGAGE, and WARRANT unto the Mortgagee, its successors or assigns, the following-described real estate situate, lying, and being in the City of **Chicago**, in the County of **Cook**, and the State of **Illinois**, to wit:

PARCEL 1:

LOT 13 AND THE SOUTH HALF OF LOT 12 IN BLOCK 2 IN SOUTH KENWOOD A RESUBDIVISION OF BLOCKS 2, 7 AND 8 IN GEORGE W. CLARKE'S SUBDIVISION OF THE EAST HALF OF THE NORTHWEST QUARTER WITH PART OF BLOCK 3 IN STAVE AND KLEMM'S SUBDIVISION OF THE NORTHEAST QUARTER ALL IN SECTION 25, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

LOT 100 IN THE FIRST ADDITION TO BRYN MAWR HIGHLANDS BEING A SUBDIVISION OF THE NORTH THREE QUARTERS OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, (EXCEPT THE WEST 500 1/2 FEET THEREOF AND EXCEPT BRYN MAWR HIGHLANDS SUBDIVISION AND EXCEPT EAST 67TH STREET AND EAST 68TH STREET HERETOFORE DEDICATED), IN COOK COUNTY, ILLINOIS.

PARCEL 4:

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LOTS 1 AND 2 IN B.J. KELLEY'S SUBDIVISION OF BLOCK 2 IN COMMISSIONER'S PARTITION BEING A SUBDIVISION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 5:

LOTS 6 AND 7 IN SUBDIVISION OF THE WEST HALF OF THE SOUTH THREE-FIFTHS OF LOT 3 IN GEORGE W. CLARKE'S SUBDIVISION OF THE EAST HALF OF THE NORTHWEST QUARTER OF SECTION 25, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PARCEL 6:

LOT 13 (EXCEPT THE EAST 17½ FEET THEREOF) AND ALL OF LOTS 14 AND 15 IN BLOCK 1 IN THE RESUBDIVISION OF BLOCKS 10 AND 11 AND PART OF BLOCK 12 IN THE SOUTH SHORE DIVISION NO. 5, BEING A SUBDIVISION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging, and the rents, issues, and profits thereof; all apparatus and fixtures of every kind in, or that may be placed in, any building now or hereafter standing on said land, and also all the estate, right, title, and interest of the said Mortgagor in and to said premises; including but not limited to all gas and electric fixtures; all radiators, heaters, furnaces, heating equipment, steam and hot-water boilers, stoves, and ranges; all elevators and motors; all bathtubs, sinks, water closets, basins, pipes, faucets, and other plumbing fixtures; all mantels and cabinets; all refrigerating plants and refrigerators, whether mechanical or otherwise; all cooking apparatus; all furniture, shades, awnings, screens, blinds, and other furnishings; all of which apparatus, fixtures, and equipment, whether affixed to the realty or not, shall be considered real estate for the purposes hereof; and including all furnishings now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the lands herein described which are necessary to the complete and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, and all renewals or replacements thereof or articles in substitution therefor; together with all building materials and equipment now or hereafter delivered to said premises and intended to be installed therein.

TO HAVE AND TO HOLD the above-described premises, with the appurtenances and fixtures, unto the said Mortgagee, its successors and assigns, forever, for the purposes and uses herein set forth.

AND SAID MORTGAGOR covenants and agrees:

1. That it will pay the note at the times and in the manner provided therein;
2. That it will not permit or suffer the use of any of the property for any purpose other than the use for which the same was intended at the time this Mortgage was executed;
3. That the Regulatory Agreement, if any, executed by the Mortgagor and the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, which is being recorded simultaneously herewith, is incorporated in and made a part of this Mortgage. Upon default under the Regulatory Agreement and upon the request of the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner, the Mortgagee, at its option, may declare the whole of the indebtedness secured hereby to be due and payable;
4. That all rents, profits and income from the property covered by this Mortgage are hereby assigned to the Mortgagee for the purpose of discharging the debt hereby secured. Permission is hereby given to Mortgagor so long as no default exists hereunder, to collect such rents, profits and income for use in accordance with the provisions of the Regulatory Agreement;
5. That upon default hereunder Mortgagee shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the property described herein and operate same and collect the rents, profits and income therefrom;

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6. That at the option of the Mortgagor the principal balance secured hereby may be reamortized on terms acceptable to the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner if a partial prepayment results from an award in condemnation in accordance with provisions of paragraph 8 herein, or from an insurance payment made in accordance with provisions of paragraph 7 herein, where there is a resulting loss of project income;

7. That the Mortgagor will keep the improvements now existing or hereafter erected on the mortgaged property insured against loss by fire and such other hazards, casualties, and contingencies, as may be stipulated by the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner upon the insurance of the Mortgage and other hazards as may be required from time to time by the Mortgagee, and all such insurance shall be evidenced by standard Fire and Extended Coverage Insurance Policy or policies, in amounts not less than necessary to comply with the applicable Coinsurance Clause percentage, but in no event shall the amounts of coverage be less than 80% of the insurable Values or not less than the unpaid balance of the insured mortgage, whichever is the lesser, and in default thereof the Mortgagee shall have the right to effect insurance. Such policies shall be endorsed with standard Mortgagee clause with loss payable to the Mortgagee and the Secretary of Housing and Urban Development as interest may appear, and shall be deposited with the Mortgagee;

That if the premises covered hereby, or any part thereof, shall be damaged by fire or other hazard against which insurance is held as hereinabove provided, the amounts paid by any insurance company in pursuance of the contract of insurance to the extent of the indebtedness then remaining unpaid, shall be paid to the Mortgagee, and, at its option, may be applied to the debt or released for the repairing or rebuilding of the premises;

8. That all awards of damages in connection with any condemnation for public use of or injury to any of said property are hereby assigned and shall be paid to the Mortgagee, who may apply the same to payment of the installments last due under said note, and Mortgagee is hereby authorized, in the name of the Mortgagor, to execute and deliver valid acquittances thereof and to appeal from any such award;

9. That it is lawfully seized and possessed of said real estate in fee simple, and has good right to convey same;

10. To keep said premises in good repair, and not to do, or permit to be done, upon said premises, anything that may impair the value thereof, or of the security intended to be effected by virtue of this instrument; to pay to the Mortgagee, as hereinafter provided, until said note is fully paid, a sum sufficient to pay all taxes and special assessments that heretofore or hereafter may be lawfully levied, assessed or imposed by any taxing body upon the said land, or upon the Mortgagor or Mortgagee on account of the ownership thereof to the extent that provision has not been made by the Mortgagor for the payment of such taxes and special assessments as hereinafter provided in subparagraph 17(b);

11. In case of the refusal or neglect of the Mortgagor to make such payments, or to satisfy any prior lien or encumbrance, or to keep said premises in good repair, the Mortgagee may pay such taxes, assessments, and insurance premiums, when due, and may make such repairs to the property herein mortgaged as in its discretion it may deem necessary for the proper preservation thereof, and any moneys so paid or expended together with any sums expended by the Mortgagee to keep the mortgage insurance in force, shall become so much additional indebtedness, secured by this mortgage, to be paid out of the proceeds of the sale of the mortgaged premises, if not otherwise paid by the Mortgagor and shall bear interest at the rate specified in the note from the date of the advance until paid, and shall be due and payable on demand;

12. It is expressly provided, however (all other provisions of this mortgage to the contrary notwithstanding), that the Mortgagee shall not be required nor shall it have the right to pay, discharge, or remove any tax, assessment, or tax lien upon or against the premises described herein or any part thereof or the improvements situated thereon, so long as the Mortgagor shall, in good faith contest the same or the validity thereof by appropriate legal proceedings brought in a court of competent jurisdiction, which shall operate to prevent the collection of the tax, assessment, or lien so contested and the sale or forfeiture of the said premises or any part thereof to satisfy the same, but in the event of a tax contest, the Mortgagor shall deposit with the Mortgagee an amount estimated by the Mortgagee sufficient to satisfy all taxes, penalties, interest, and costs which may reasonably accrue during such contest;

13. That it will not voluntarily create or permit to be created against the property subject to this mortgage any lien or liens inferior or superior to the lien of this mortgage and further that it will keep and maintain the same free from the claim of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on said premises;

14. That the improvements about to be made upon the premises above described and all plans and specifications comply with all municipal ordinances and regulations made or promulgated by lawful authority, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of the applicable fire

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rating or inspection organization, bureau, association, or office. In the event the Mortgagor shall at any time fail to comply with such rules, regulations, and ordinances which are now or may hereafter become applicable to the premises above described, after due notice and demand by the Mortgagee, thereupon the principal sum and all arrears of interest and other charges provided for herein, shall at the option of the Mortgagee become due and payable;

15. The Mortgagor covenants and agrees that so long as this mortgage and the said note secured hereby are insured or held under the provisions of the National Housing Act, it will not execute or file for record any instrument which imposes a restriction upon the sale or occupancy of the mortgaged property on the basis of race, color or creed;

16. ~~That the funds to be advanced herein are to be used in the construction of certain improvements on the lands herein described, in accordance with a building loan agreement between the Mortgagor and Mortgagee, dated _____, which building loan agreement (except such part or parts thereof as may be inconsistent herewith) is incorporated herein by reference to the same extent and effect as if fully set forth and made a part of this mortgage, and if the construction of the improvements to be made pursuant to said building loan agreement shall not be carried on with reasonable diligence, or shall be discontinued at any time for any reason other than strikes or lock-outs, the Mortgagee, after due notice to the Mortgagor or any subsequent owner, is hereby invested with full and complete authority to enter upon the said premises, employ watchmen to protect such improvements from depredation or injury and to preserve and protect the personal property therein, and to continue any and all outstanding contracts for the erection and completion of said building or buildings, to make and enter into any contracts and obligations wherever necessary, either in its own name or in the name of the Mortgagor, and to pay and discharge all debts, obligations, and liabilities incurred thereby. All such sums so advanced by the Mortgagee (exclusive of advances of the principal of the indebtedness secured hereby) shall be added to the principal of the indebtedness secured hereby and shall be secured by this mortgage and shall be due and payable on demand with interest at the rate specified in the note, but no such advances shall be insured unless same are specifically approved by the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner prior to the making thereof. The principal sum and other charges provided for herein shall, at the option of the Mortgagee or holder of this mortgage and the note securing the same, become due and payable on the failure of the Mortgagor to keep and perform any of the covenants, conditions, and agreements of said building loan agreement. This covenant shall be terminated upon the completion of the improvements to the satisfaction of the Mortgagee and the making of the final advance as provided in said building loan agreement;~~

17. That, together with, and in addition to, the monthly payments of interest or of principal and interest payable under the terms of the note secured hereby, the Mortgagor will pay to the Mortgagee, on the first day of each succeeding month after the date hereof, until the said note is fully paid, the following sums:

- (a) An amount sufficient to provide the Mortgagee with funds to pay the next mortgage insurance premium if this instrument and the note secured hereby are insured, or a monthly service charge, if they are held by the Secretary of Housing and Urban Development, as follows:
 - (i) If and so long as said note of even date and this instrument are insured or are reinsured under the provisions of the National Housing Act, an amount sufficient to accumulate in the hands of the Mortgagee one (1) month prior to its due date the annual mortgage insurance premium, in order to provide such Mortgagee with funds to pay such premium to the Secretary of Housing and Urban Development pursuant to the National Housing Act, as amended, and applicable Regulations thereunder, or
 - (ii) Beginning with the first day of the month following an assignment of this instrument and the note secured hereby to the Secretary of Housing and Urban Development, a monthly service charge which shall be an amount equal to one-twelfth of one-half percent ($1/12$ of $1/2\%$) of the average outstanding principal balance due on the note computed for each successive year beginning with the first of the month following such assignment, without taking into account delinquencies or prepayments.
- (b) A sum equal to the ground rents, if any, next due, plus the premiums that will next become due and payable on policies of fire and other property insurance covering the premises covered hereby, plus water rates, taxes and assessments next due on the premises covered hereby (all as estimated by the Mortgagee) less all sums already paid therefor divided by the number of months to elapse before one (1) month prior to the date when such ground rents, premiums, water rates, taxes and assessments will become delinquent, such sums to be held by Mortgagee to pay said ground rents, premiums, water rates, taxes, and special assessments.
- (c) All payments mentioned in the two preceding subsections of this paragraph and all payments to be made under the note secured hereby shall be added together and the aggregate amount thereof shall be paid each month in a single payment to be applied by Mortgagee to the following items in the order set forth:

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- (i) premium charges under the Contract of Insurance with the Secretary of Housing and Urban Development, acting by and through the Federal Housing Commissioner or service charge;
- (ii) ground rents, taxes, special assessments, water rates, fire and other property insurance premiums;
- (iii) interest on the note secured hereby;
- (iv) amortization of the principal of said note.

18. Any excess funds accumulated under (b) of the preceding paragraph remaining after payment of the items therein mentioned shall be credited to subsequent monthly payments of the same nature required thereunder; but if any such item shall exceed the estimate therefor the Mortgagor shall without demand forthwith make good the deficiency. Failure to do so before the due date of such item shall be a default hereunder. In case of termination of the Contract of Mortgage Insurance by prepayment of the mortgage in full, or otherwise (except as hereinafter provided), accumulations under (a) of the preceding paragraph hereof not required to meet payments due under the Contract of Mortgage Insurance, shall be credited to the Mortgagor. If the property is sold under foreclosure or is otherwise acquired by the Mortgagee after default, any remaining balance of the accumulations under (b) of the preceding paragraph shall be credited to the principal of the mortgage as of the date of commencement of foreclosure proceedings or as of the date the property is otherwise acquired; and accumulations under (a) of the preceding paragraph shall be likewise credited unless required to pay sums due the Secretary of Housing and Urban Development, acting by and through the Commissioner under the Contract of Mortgage Insurance;

19. In the event of default in making any monthly payment provide for herein or in the note secured hereby for a period of thirty (30) days after the due date thereof, or in case of a breach of any other covenant or agreement herein stipulated, then the whole of said principal sum remaining unpaid together with accrued interest thereon, shall, at the election of the Mortgagee, without notice, become immediately due and payable, in which event the Mortgagee shall have the right immediately to foreclose this mortgage;

20. And in case of foreclosure of this mortgage by said Mortgagee in any court of law or equity, a reasonable sum shall be allowed for the solicitor's fees of the complainant, not to exceed in any case five per centum (5%) of the amount of the principal indebtedness found to be due, and for stenographers' fees of the complainant in such proceeding, and costs of minutes of foreclosure, master's fees, and all other costs of suit, and also for all outlays for documentary evidence and the cost of a complete abstract of title for the purpose of such foreclosure; and in case of any other suit, or legal proceeding, instituted by the Mortgagee to enforce the provisions of this mortgage or in case of any suit or legal proceeding wherein the Mortgagee shall be made a party thereto by reason of this mortgage, its costs and expenses, and the reasonable fees and charges of the attorneys or solicitors of the Mortgagee, so made parties, for services in such suit or proceedings, shall be a further lien and charge upon the said premises under this mortgage, and all such expenses shall become so much additional indebtedness secured hereby and be allowed in any decree foreclosing this mortgage;

21. And there shall be included in any decree foreclosing this mortgage and be paid out of the proceeds of any sale made in pursuance of any such decree: (1) All the costs of such suit or suits, advertising, sale, and conveyance, including attorneys', solicitors', and stenographer's fees, outlays for documentary evidence and cost of said abstract and examination of title; (2) all the moneys advanced by the Mortgagee, if any, for any purpose authorized in the mortgage, with interest on such advances at the rate specified in the note, from the time such advances are made; (3) all the accrued interest remaining unpaid on the indebtedness hereby secured; (4) all the said principal money remaining unpaid. The over-plus of the proceeds of sale, if any, shall then be paid as the court may direct;

22. A reconveyance of said premises shall be made by the Mortgagee to the Mortgagor on full payment of the indebtedness aforesaid, the performance of the covenants and agreements herein made by the Mortgagor, and the payment of the reasonable fees of said Mortgagee;

23. It is expressly agreed that no extension of the time for payment of the debt hereby secured given by the Mortgagee to any successor in interest of the Mortgagor shall operate to release, in any manner, the original liability of the Mortgagor;

24. The Mortgagor hereby waives any and all rights of redemption from sale under any order or decree of foreclosure of this mortgage on its own behalf and on behalf of each and every person except decree or judgment creditors of the Mortgagor acquiring any interest in or title to the premises subsequent to the date of this mortgage;

25. The covenants herein contained shall bind, and the benefits and advantages shall inure to, the successors and assigns of the respective parties hereto. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

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IN WITNESS WHEREOF, the Mortgagor has caused these presents to be signed on the day and year first above written.

SSBOK, LLC,
an Illinois limited liability company

By: **Shorebank Development Corporation,**
Chicago, *Delaware*
~~an Illinois not for profit corporation~~, its
manager

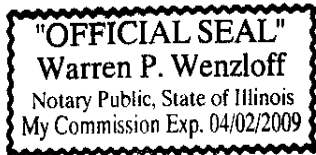
By: _____
Name: **Helen Dunlap**
Title: **Chief Executive Officer**

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On ~~May~~ ³¹, 2005, before me personally appeared **Helen Dunlap**, personally known to me or proved to me on the basis of satisfactory evidence, to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

(SEAL)



Notary Public
My Commission Expires:

This document prepared by and return after recording to Jon M. Arntson, 51 Broadway, Suite 603, Fargo, North Dakota 58102; (701) 280-0195.

STATE OF ILLINOIS

Loan No.

Mortgage

SSBOK, LLC
SECRETARY OF HOUSING
AND URBAN DEVELOPMENT

TO
of
on the
A.D. 20 , at
and duly recorded in Book
of

County, Illinois
258181-P
o'clock m.,

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\$2,653,125.77

Chicago, IL [location of execution]

May 31, 2005

The O'Keeffe Apartments

Chicago, Cook County, IL

FHA Project Nos. 071-35500, 071-35506 and 071-35460

**RIDER TO
MORTGAGE RESTRUCTURING MORTGAGE**

This Rider is attached to and made a part of that certain Mortgage Restructuring Mortgage dated May 31, 2005 (this "Mortgage Restructuring Mortgage"), made by **SSBOK, LLC, an Illinois limited liability company** (the "Owner"), for the benefit of **SECRETARY OF HOUSING AND URBAN DEVELOPMENT, WASHINGTON, D.C.** (the "Secretary").

A. OWNER'S RIGHT TO PREPAY. Privilege is reserved to pay the indebtedness evidenced by the Mortgage Restructuring Note, in whole or in part, on the first day of any month prior to maturity thereof upon at least thirty (30) calendar days prior written notice to the holder of the Mortgage Restructuring Note.

B. INCORPORATION OF REGULATORY AGREEMENT. That the Regulatory Agreement for Multifamily Housing Projects Participating in the Mark-to-Market Program (the "Mark-to-Market Regulatory Agreement") executed by the Mortgagor and the Secretary of Housing and Urban Development, which is being recorded simultaneously herewith, is incorporated in and made a part of this Mortgage.

C. ACCELERATION. The Mortgage Restructuring Note shall become immediately due and payable, at the option of the holder thereof, in the event that, prior to the repayment of the indebtedness evidenced thereby, (i) there occurs a Sale (as defined in the Mortgage Restructuring Note) of all or any part of the Project, (ii) there occurs a Refinancing (as defined in the Mortgage Restructuring Note) or other termination of the Loan (as hereinafter defined), (iii) the Owner defaults in its obligations under the Mortgage (as hereinafter defined) or the Note (as hereinafter defined) and such default is not cured within thirty (30) calendar days, or (iv) default be made in the making of any payment under the Mortgage Restructuring Note and such default is not cured within thirty (30) days after the applicable Payment Date (as defined in the Mortgage Restructuring Note), (v) upon a default under this Mortgage Restructuring Mortgage, or (vi) the Secretary provides notice to the project owner that such owner has failed to materially comply with any requirements of the Multifamily Assisted Housing Reform and Affordability Act of 1997 or the United States Housing Act of 1937 as those requirements apply to this project, and such failure is not cured within the period provided in 24 CFR Part 401, Subpart F. Failure to exercise any of the foregoing options shall not constitute a waiver of the right to exercise the same in the event of any subsequent occurrence thereof.

D. RESTRICTED SURPLUS CASH LIMITATION. The Secretary, for itself and for its successors and assigns, covenants and agrees that, in the event of the appointment of a receiver or the appointment of the Secretary as mortgagee-in-possession, in any action by the Secretary, its successors or assigns, to foreclose the lien of this Mortgage Restructuring Mortgage, no rents,

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revenues or other income of the Project collected by the receiver or by the mortgagee-in-possession shall be utilized for the payment of interest, principal or any other charges due and payable under this Mortgage Restructuring Mortgage except from Restricted Surplus Cash (as defined in the Mortgage Restructuring Note), if any, and that the receiver or mortgagee-in-possession shall operate the Project in accordance with all provisions of the Mortgage, and with all provisions of the Use Agreement for Mark-to-Market Projects affecting the Project and executed and recorded herewith; and that certain Regulatory Agreement for Multifamily Housing Projects (the "First Mortgage Regulatory Agreement") affecting the Project and executed in connection with the Loan; and in accordance with all provisions of this Mortgage Restructuring Mortgage and that certain Regulatory Agreement for Mark-to-Market Projects (the "Mark-to-Market Regulatory Agreement") affecting the Project and executed in connection herewith.

E. SUBORDINATE LIEN. Notwithstanding any provision of this Mortgage Restructuring Mortgage or the Mortgage Restructuring Note to the contrary, this Mortgage Restructuring Mortgage, and all of the parties' respective rights and powers hereunder, are subject and subordinate to:

1. The rights and obligations of the parties set forth in that certain Use Agreement for Mark-to-Market Projects of even date herewith (the "Use Agreement"), by and between the Owner and the Secretary, to be recorded among the Land Records prior to the recordation hereof.

2. That certain Mortgage, granted by the Owner for the benefit of **PNC Multifamily Finance, Inc.**, a Delaware corporation (the "Mortgagee"), of even date herewith (the "Mortgage"), to be recorded among the land records of the jurisdiction in which the Property is located (the "Land Records") prior to the recordation hereof and encumbering the Property, which Mortgage secures that certain Mortgage Note of even date herewith (the "Note") evidencing an indebtedness of the Owner to the Mortgagee in the original principal amount of **One Million One Hundred Thirteen Thousand Six Hundred and No/100 Dollars (\$1,113,600.00)** (the "Loan").

F. ESCROW PAYMENTS. In the absence of a recorded first mortgage/deed of trust superior hereto encumbering the Property, in order to more fully protect the security of this Mortgage, together with, and in addition to, the payments of principal and interest payable under the terms of the Note secured hereby, the Mortgagor agrees to deposit with the Secretary, on the first day of each month until the said Note is fully paid, the following sums:

1. A sum equal to the ground rents, if any, next due, plus water rates, taxes and assessments next due on the premises covered hereby (all as estimated by the Secretary) less all sums already paid therefor divided by the number of months to elapse before one month prior to the date when such ground rents, premiums, water rates, taxes and assessments will become delinquent, such sums to be held by the Secretary in trust to pay said ground rents, premiums, water rates, taxes and special assessments.

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2. Any excess funds accumulated under (1) remaining after payment of the items therein mentioned shall be credited to subsequent monthly payments of the same nature required thereunder; but if any such item shall exceed the estimate therefor the Mortgagor shall without demand make good the deficiency. Failure to do so before the same become delinquent or subject to interest or penalties shall be a default hereunder.

3. If the property is sold under foreclosure or is otherwise acquired by the Secretary after default, any remaining balance of the accumulations under (1) shall be credited to the principal of the Mortgage as of the date of commencement of foreclosure proceedings or as of the date the property is otherwise acquired.

G. HAZARD INSURANCE. That the Mortgagor will keep the improvements now existing on the mortgaged property insured against loss by fire and such other hazards, casualties, and contingencies, as may be stipulated by the Secretary. All such insurance shall be evidenced by standard Fire and Extended Coverage Insurance Policy or policies, in amounts not less than necessary to comply with the applicable Coinsurance Clause percentage, but in no event shall the amounts of coverage be less than 80% of the Insurable Values or not less than the unpaid balance of the Mortgage Restructuring Mortgage, whichever is the lesser. The Mortgagor is required to begin renewal activities at least sixty (60) days in advance of policy expiration. The Mortgagor is required to provide the Secretary with copies of the renewal policies or certificates of insurance at least thirty (30) days prior to the policy expiration date.

H. SERVICE CHARGE. Notwithstanding any other provision contained in the Mortgage Restructuring Mortgage to which this Rider is attached, it is agreed that no monthly service charge shall be due in addition to the payments of principal and interest payable under the terms of the Mortgage Restructuring Note secured hereby.

I. NONRECOURSE LIABILITY. Notwithstanding any other provision contained herein or in the Mortgage Restructuring Note, it is agreed that the execution of the Mortgage Restructuring Note shall impose no personal liability upon the Owner, nor any of its current or future general or limited partners, or officers, directors, shareholders or members, as applicable, for payment of the indebtedness evidenced thereby and, in the event of a default thereunder or hereunder, the holder of the Mortgage Restructuring Note shall look solely to the Property and to the rents, issues and profits thereof in satisfaction of the indebtedness evidenced by the Mortgage Restructuring Note and will not seek or obtain any deficiency or personal judgment against the Owner, nor any of its current or future general or limited partners, or officers, directors, shareholders or members as applicable, except such judgment or decree as may be necessary to foreclose or bar its interest in the Property and all other property mortgaged, pledged, conveyed or assigned to secure payment of the Mortgage Restructuring Note; provided, however, that nothing in this condition and no action so taken shall operate to impair any obligation of the Owner under the Regulatory Agreement.

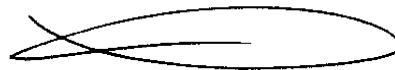
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OWNER:

**SSBOK, LLC,
an Illinois limited liability company**

**By: Shorebank Development Corporation,
Chicago, a Delaware
~~an Illinois~~ not-for-profit corporation,
its manager**

By: _____



Name: **Helen Dunlap**

Title: **Chief Executive Officer**

Property of Cook County Clerk's Office