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Eugene "Gene" Moore
Cook County Recorder of Deeds
Date: 04/02/2008 02:42 PM Pg: 1 of 10

This Document has been prepared by:

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After recording return to:

Saint Luke Housing Ministries
1500 W. Belmont
Chicago, Illinois 60657

4386993 16/22

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JUNIOR MORTGAGE

THIS INSTRUMENT ("Mortgage") WITNESSES: that **RENAISSANCE SAINT LUKE SLF L.P.**, an Illinois limited partnership (the "Mortgagor"), in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, hereby CONVEYS, GRANTS, MORTGAGES and WARRANTS to **SAINT LUKE HOUSING MINISTRIES**, an Illinois not-for-profit corporation, ("Mortgagee"), the fee estate, situated in Cook County, Illinois (the "Property"), legally described on Exhibit A attached hereto and incorporated herein, together with all rights, title and interests of Mortgagor in and to: (i) All rights, privileges, interests, tenements, hereditaments, easements and appurtenances in any way now or hereafter pertaining to the Property ("Easements"); (ii) All buildings and other improvements of every kind and description now or hereafter placed on the Property, together with all fixtures, attached to or regularly used in connection with the Property, and all replacements thereof ("Improvements"); (iii) All extensions, improvements, betterments, substitutes, replacements, renewals, additions and appurtenances of or to the basements or Improvements ("Additions"); (iv) All rents, issues, proceeds, income and profits of the Property, Easements, Improvements and Additions, including all payments made in connection with leases, subleases and other agreements affecting the Property, Easements, Improvements or Additions ("Rents"); and (v) All awards, payments or proceeds of conversion, whether voluntary or involuntary, of any of the foregoing, including, without limitation, all insurance, condemnation and tort claims ("Proceeds"). Hereinafter, the fee estate of the Property, the Easements, Improvements, Additions, Rents, and Proceeds are referred to together as the "Mortgaged Property".

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This Mortgage is given to secure performance by Mortgagor of the covenants and agreements contained in this Mortgage and to secure (i) repayment of principal of, interest on, and all other amounts due at any time under the Promissory Note by Mortgagor for the benefit of Mortgagee in the amount of \$500,000 dated the date hereof (the "Note") (ii) payments that may be due and payable pursuant to that certain Affordable Housing Program Recapture Agreement by and among Cole Taylor Bank, an Illinois banking corporation, Mortgagor and Mortgagee, dated of even date herewith (the "Recapture Agreement"), which agreement relates to a subsidy from the Bank to Mortgagee, for the benefit of Mortgagor, in the principal sum of Five Hundred Thousand and No/100 Dollars (\$500,000.00) with the repayment due pursuant to the terms and provisions thereof ("Primary Debt"); (iii) all obligations of the Mortgagor under the Note and the Recapture Agreement; (iii) all sums advanced and costs and expenses incurred by Mortgagee which are made or incurred pursuant to, or allowed by, the terms of this Mortgage ("Advancements"), and (vi) all costs of repossession, collection, disposition and reasonable attorneys' fees incurred by Mortgagee ("Costs"). (Hereinafter, the Note, the Primary Debt, Advancements and Costs are referred to together as the "Indebtedness").

This Mortgage and the Indebtedness shall be subject and subordinate in all respects to the terms and provisions of the prior mortgage liens and other collateral loan documents listed and otherwise set forth in Paragraph 17 and described in Exhibit B attached hereto (herein referred to as the "Other Mortgage Liens").

Mortgagor hereby further covenants with the Mortgagee as follows:

1. **Payment of Sums.** Mortgagor covenants and agrees to promptly pay the Indebtedness, as and when the payment(s) thereof become due in accordance with the terms of the Note, all without relief from valuation and appraisal laws and with reasonable attorneys' fees. Payments on this Indebtedness are subordinate to all Other Mortgage Liens and shall be made after all payments on Other Mortgage Liens.

2. **Care and Condition of Mortgaged Property.** Mortgagor shall (a) promptly repair, restore or rebuild the Mortgaged Property, or any portion thereof, which is damaged or destroyed; (b) keep the Mortgaged Property in good condition and repair, without waste, and free from encroachments and from mechanic's or materialman's lien or claims for lien not expressly subordinated to this Mortgage provided, however, that Mortgagor shall have the right to insure or bond over any such lien; (c) pay when due any indebtedness which may be secured by a lien or charge on the Mortgaged Property, whether or not superior to this Mortgage; (d) comply with all requirements of law and covenants and restrictions of record applicable to the Mortgaged Property or its use as provided in the Recapture Agreement; (e) permit no material change in or alteration of the design, structural character or general nature of the Mortgaged Property and the improvements without Mortgagee's prior written consent (which consent shall not be unreasonably withheld, conditioned, or delayed); and (f) permit Mortgagee to enter upon and inspect the Mortgaged Property at all reasonable times upon prior reasonable notice sent by Mortgagee to Mortgagor.

3. **Warranties.** Mortgagor covenants and warrants that: (a) the Mortgagor is lawfully seized and possessed of a leasehold interest in the Property, has valid and indefeasible

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title to the Mortgaged Property and has a good and legal right to convey and mortgage the Mortgaged Property; and (b) the Mortgaged Property is and will remain free from all liens and encumbrances except those Other Mortgage Liens and encumbrances to which this Mortgage is subordinate, real estate taxes, mechanic's and other liens contested in good faith by Mortgagor (provided a bond or title insurance in the amount of such lien is provided to Mortgagee) and Mortgagor will warrant and defend title to the Mortgaged Property against all claims made thereon.

4. **Insurance.** Any insurance requirements of the holders of the Other Mortgage Liens shall be deemed customary and reasonable (the "Required Insurance"). The Required Insurance shall be written in forms, amounts and by companies reasonably satisfactory to the holders of the Other Mortgage Liens, and losses thereunder shall be payable to Mortgagee pursuant to standard noncontributing mortgage endorsements in favor of Mortgagee. Unless otherwise agreed by Mortgagee, copies of all policies of Required Insurance, including additional and renewal policies, shall be deposited with and held by Mortgagee. Any monies received by Mortgagee as payments for any loss under any of the Required Insurance shall be made available to reimburse Mortgagor for expenses incurred by Mortgagor in the restoration or repair of the Mortgaged Property provided that Mortgagor is not in default hereunder beyond any applicable cure period, in which event Mortgagee may apply such monies to repayment of the Indebtedness. Proceeds paid or payable to Mortgagor of the Required Insurance shall be applied to restoration of the Mortgaged Property in such fashion as Mortgagee reasonably may require, subject to the requirements of the Other Mortgage Liens.

5. **Taxes.** Mortgagor will pay and discharge or cause to be paid and discharge when due, and before any penalty attaches, all taxes (including real and personal property taxes), general and special assessments, water and sewer rents or assessments, and all other governmental and municipal charges and impositions of any kind imposed upon or assessed against Mortgagor or the Mortgaged Property, or any part thereof, or arising in respect of the occupancy, use or possession thereof.

6. **Protection of Security by Mortgagee.** Mortgagee may, at Mortgagee's option, but without any duty or obligation of any sort to do so and without in any way waiving or relieving any default by Mortgagor, make any payment and perform any act required of Mortgagor by this Mortgage, including but not limited to, payment of insurance premiums, taxes, assessments, repair expenses and prior liens and encumbrances. All expenses so incurred, including reasonable attorneys' fees, and any other reasonable expenses incurred by Mortgagee to protect the Mortgaged Property shall constitute Advancements and shall be immediately due and payable by Mortgagor.

7. **Transfer of Mortgaged Property.** Mortgagor shall not, without the prior written consent of Mortgagee, lease (other than in the ordinary course of its business and in accordance with the affordability requirements of the Recapture Agreement), transfer, sell, or contract to sell or in any way further encumber all or any part of the Mortgaged Property (other than the Other Mortgage Liens).

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8. **Condemnation.** If all or any part of the Mortgaged Property is taken or damaged pursuant to an exercise, or threat of exercise, of the power of eminent domain, the entire proceeds of the award or compensation payable in respect of the part so taken or damaged shall be applied first to restore the Mortgaged Property, and if not, to satisfy all existing mortgage liens against the Mortgaged Property in accordance with their priority, then to satisfy any judgment liens against the Mortgaged Property, with the residual, if any, being then provided to Mortgagor.

9. **Default and Acceleration.** Time is of the essence of this Mortgage. Upon the occurrence of any Event of Default (as hereinafter defined), and at any time thereafter, then, in any and every such case, the entire Indebtedness shall, at the option of Mortgagee, become immediately due and payable without any notice, presentment, demand, protest, notice of protest, or other notice of dishonor or demand of any kind, all of which are hereby expressly waived by Mortgagor, and subject to the Other Mortgage Liens and any subordination agreements between the Mortgagee, and its successors and assigns, and any lenders or Mortgages references in Exhibit B, Mortgagee shall have the right immediately to foreclose the mortgage lien created by this Mortgage against the Mortgaged Property, to enforce every other security interest created by this Mortgage and to institute any action, suit or other proceeding which Mortgagee may deem necessary or proper for the protection of its interests, subject to the terms and provisions of the Other Mortgage Liens. The following notwithstanding, the Mortgagee shall not accelerate the Mortgage until payment is made on all Other Mortgage Liens. The following shall each constitute an "Event of Default" for purposes of this Mortgage:

(a) Default in the payment of amounts due under the Note and the continuation of such default for a period of ten (10) days after written notice thereof.

(b) Default in the performance of any covenant or term of this Mortgage and the continuation of such default for a period of thirty (30) days after written notice thereof, provided that if such default cannot be cured within thirty (30) days and Mortgagor is diligently pursuing appropriate action to cure the default, then the Mortgagee shall have an additional ninety (90) days to cure such default before an Event of Default shall be deemed to have occurred.

(c) Default in the performance of any covenant or agreement in the Recapture Agreement for which the remedy is recapture of the Primary Debt and the expiration of any applicable cure period provided therein.

10. **Foreclosure and Application of Proceeds.** Subject to the Other Mortgage Liens and any subordination agreements between the Mortgagee, and its successors and assigns, and any lenders or Mortgages references in Exhibit B, all expenses which may be paid or incurred by or on behalf of Mortgagee in connection with the foreclosure of this Mortgage for reasonable attorneys' fees, appraiser's fees, outlays for documentary and expert evidence, stenographers' charges, publication costs and cost of procuring all title searches, policies and examinations and similar data and assurances with respect to title as Mortgagee reasonably may deem necessary to prosecute such suit shall constitute Advancements, shall be immediately due and payable by Mortgagor, and shall be allowed and included as Indebtedness in the judgment for sale. The proceeds of any foreclosure sale of the Mortgaged Property shall be distributed and applied in

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the following order or priority, first, on account of all Advancements incident to the foreclosure proceedings and all Costs; second, to the satisfaction of all superior lien interests, including any Other Mortgage Lien that exists at the time of foreclosure; third, all other items which under the terms of this Mortgage constitute Indebtedness in addition to the Primary Debt; fourth, all amounts remaining unpaid on the Note, and the Primary Debt; and fifth, any remainder to the person or persons entitled thereto as determined by the court in the foreclosure proceedings.

11. **Foreclosure Proceedings and Receiver.** Upon the commencement of any proceedings to foreclose this Mortgage, Mortgagee shall be entitled forthwith to the appointment of a receiver or receivers, as a matter of right, without the giving of notice to any other party, without regard to the adequacy or inadequacy of any security for the Indebtedness and without the requirement of any bond. Mortgagee shall be entitled to recover judgment either before or after or during the pendency of any proceedings for the enforcement of this Mortgage. The right of Mortgagee to recover such judgment shall not be affected by the exercise of any other right, power or remedy for the enforcement of this Mortgage, or the foreclosure of the lien of this Mortgage.

12. **No Exclusive Remedy.** Each and every right, power and remedy conferred upon or reserved to Mortgagee in this Mortgage is cumulative and shall be in addition to every other right, power and remedy given in this Mortgage or now or hereafter existing at law or in equity. No delay or omission of Mortgagee in the exercise of any right, power or remedy shall be construed to be a waiver of any Event of Default or any acquiescence therein.

13. **Provisions Severable.** In the event any one or more of the provisions of this Mortgage for any reason shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Mortgage, but this Mortgage shall be construed as if such invalid, illegal or unenforceable provisions had never been contained in this Mortgage.

14. **Notices.** All notices pursuant to this Mortgage shall be in writing and shall be deemed to have been sufficiently given or served for all purposes when presented as set forth in the Note.

15. **Successors and Assigns.** This Mortgage shall (a) run with the land, (b) apply and extend to, be binding upon and inure to the benefit of Mortgagor, Mortgagor's heirs, administrators, successors and assigns and all persons claiming under or through Mortgagor, and the word "Mortgagor" shall include all such persons, and (c) apply and extend to, be binding upon and inure to the benefit of Mortgagee and Mortgagee's successors and assigns. The word "Mortgagee" shall include the successors and assigns of Mortgagee, and the holder or holders, from time to time, of the Note and any other Indebtedness instruments.

16. **Miscellaneous.** The captions in this Mortgage are for convenience only and do not define or limit the provisions of this Mortgage. All changes to this Mortgage must be in writing signed by the Mortgagee and, if this Mortgage is recorded, shall not be effective until recorded. 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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17. **Other Mortgage Liens.** This Mortgagee and the Indebtedness shall be subject and subordinate in all respects to the lien created by and the terms and provisions of the Other Mortgage Liens. So long as the Other Mortgage Liens are in effect, in the event of any conflict between the provisions of this Mortgage and the Other Mortgage Liens, the provisions of the Other Mortgage Liens shall prevail. Any waiver or forbearance by the senior lenders under the Other Mortgage Liens shall not impair the priority of its lien under the Other Mortgage Liens.

18. **Recourse Obligation.** The Indebtedness is a recourse obligation of Mortgagor.

19. **Governing Law.** This Mortgage shall be governed by and construed in accordance with the laws of the State of Illinois.

20. **Maximum Amount of Indebtedness.** The maximum amount of indebtedness secured by this Mortgage shall be \$625,000.00, inclusive of any interest under the Note, plus any disbursements for the payment of taxes and insurance on the Property, plus interest thereon if applicable, and any other sums advanced in accordance with the terms hereof or the Note.

[Signature Pages Follow]

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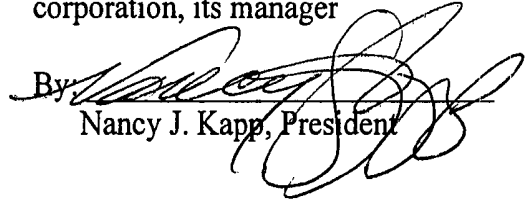
IN WITNESS WHEREOF, Mortgagor has executed this Junior Mortgage as of the 1st day of April, 2008.

MORTGAGOR:

RENAISSANCE SAINT LUKE SLF L.P., an Illinois limited partnership

By: RRG Renaissance Saint Luke SLF LLC
an Illinois limited liability company, its general partner

By: RRG Development, Inc., an Illinois corporation, its manager

By: 
Nancy J. Kapp, President

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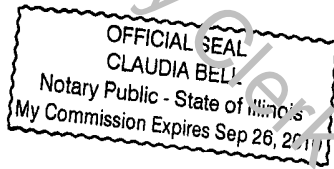
STATE OF ILLINOIS)
)
) SS.
COUNTY OF COOK)

I, Claudia Bell, a Notary Public in and for said County, in the State aforesaid, **DO HEREBY CERTIFY** that Nancy J. Kapp, President of RRG Development, Inc., an Illinois corporation and manager of RRG Renaissance Saint Luke SLF LLC, an Illinois limited liability company, the General Partner of Renaissance Saint Luke SLF L.P., an Illinois limited partnership, and who is personally known to me to be the same person whose name is subscribed to the foregoing instrument in such capacity, appeared before me this day in person and acknowledged that she/he signed and delivered the said instrument as her/his own free and voluntary act and as the free and voluntary act of said RRG Development, Inc., as the manager of RRG Renaissance Saint Luke SLF LLC, the General Partner of Renaissance Saint Luke SLF L.P., for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 2nd day of April, 2008.

Claudia Bell
Notary Public

My commission expires:



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EXHIBIT A

THAT PART OF LOTS 50 TO 62, AND OF CERTAIN VACATED EAST-WEST AND NORTH-SOUTH ALLEYS, IN KEMNITZ AND WOLFF'S SUBDIVISION OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF THE SOUTHWEST ¼ OF SECTION 20, TOWNSHIP 40 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 56 IN KEMNITZ AND WOLFF'S SUBDIVISION AFORESAID; THENCE NORTH 90 DEGREES 00 MINUTES 00 SECONDS WEST, ALONG THE NORTH LINE OF SAID LOTS 56 TO 62, BEING ALSO THE SOUTH LINE OF WEST MELROSE STREET, A DISTANCE OF 163.00 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 00 SECONDS WEST, A DISTANCE OF 127.33 FEET; THENCE SOUTH 44 DEGREES 36 MINUTES 24 SECONDS EAST, A DISTANCE OF 19.69 FEET (MEASURED AS SOUTH 45 DEGREES 05 MINUTES 38 SECONDS EAST, 19.73 FEET) TO THE SOUTH LINE OF THE VACATED ALLEY LYING SOUTH OF AND ADJOINING THE SOUTH LINE OF SAID LOTS 50 TO 62; THENCE SOUTH 89 DEGREES 59 MINUTES 37 SECONDS EAST (MEASURED AS SOUTH 89 DEGREES 59 MINUTES 36 SECONDS EAST) ALONG THE SOUTH LINE OF SAID VACATED ALLEY, A DISTANCE OF 195.22 FEET; THENCE NORTH 00 DEGREES 04 MINUTES 40 SECONDS WEST, A DISTANCE OF 63.14 FEET; THENCE NORTH 89 DEGREES 55 MINUTES 20 SECONDS EAST, A DISTANCE OF 104.00 FEET TO THE EAST LINE OF SAID LOT 50; THENCE NORTH 00 DEGREES 04 MINUTES 40 SECONDS WEST ALONG THE EAST LINE OF SAID LOT 50, BEING ALSO THE WEST LINE OF NORTH GREENVIEW AVENUE, A DISTANCE OF 78.00 FEET TO THE NORTHEAST CORNER OF SAID LOT 50; THENCE SOUTH 90 DEGREES 00 MINUTES 00 SECONDS WEST ALONG THE NORTH LINE OF SAID LOTS 50 TO 55, BEING ALSO THE SOUTH LINE OF WEST MELROSE STREET, A DISTANCE OF 150.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PINS:

14-20-328-013-0000
14-20-328-014-0000
14-20-328-015-0000
14-20-328-016-0000
14-20-328-017-0000
14-20-328-018-0000
14-20-328-027-0000, affects vacated alley and other property
14-20-328-044-0000, affects vacated alley and other property
14-20-328-045-0000

Common Address: 1501 W. Melrose Street, Chicago, IL

CHICAGO-#80424-v3

Final

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EXHIBIT B

OTHER MORTGAGE LIENS

- 1) Promissory Note in an amount not to exceed \$15,000,000, and Mortgage, Assignment of Leases and Rents, Security Agreement and Financing Statement issued to Harris N.A.;
- 2) \$2,800,000 Note and Junior Mortgage, Security Agreement and Financing Statement issued to the City of Chicago, Illinois;
- 3) \$1,000,000 Mortgage Note and Junior Mortgage, Security Agreement and Assignment of Rents and Leases issued to the Illinois Housing Development Authority.

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