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RECORDING COVER SHEET
FOR
MORTGAGE AND SECURITY AGREEMENT

FREEDOM TITLE CORP.
6710669 1 of 4 Howard

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Prepared by and Return to:
 Gregory R. Cohen, Esq.
 Cohen, Norris, Scherer, Weinberger & Wolmer
 712 U. S. Highway One, Suite 400
 North Palm Beach, Florida 33408
 File No. 31869.000
 WC-70

6710669 / 074 HAWARD
MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT ("Mortgage") is made as of May 30, 2008, by Michael A. Hammad ("Mortgagor") whose mailing address is 4973 SW 75th Avenue, Miami, Florida 33155, in favor of HILLCREST BANK FLORIDA, whose mailing address is 5325 Airport Road, Naples, Florida 34109 ("Mortgagee" or "Lender").

**ARTICLE I
 DEFINITIONS**

As used herein, the following terms shall have the following meanings herein specified, such definition to be applicable equally to the singular and plural forms of such terms:

- (a) **Commitment:** That letter of Commitment to the Mortgagor to make the Loan, dated February 20, 2008 ("Loan Commitment" or "Commitment").
- (b) **Default Rate:** The rate of interest specified in the Note as that rate at which the Note and all sums due thereunder shall bear interest from the date when due until paid.
- (c) **Event of Default:** As defined in Article VI of this Mortgage.
- (d) **Fixtures:** All fixtures now or hereafter located under, on or above the Mortgaged Property which constitute or will constitute fixtures under the law of the State of Illinois which term includes any part of the fixtures.
- (e) **Guaranty:** The Guarantor shall be Michael A. Hammad, who shall execute an unconditional guaranty ("Guaranty").
- (f) **Impositions:** All (i) real estate and personal property taxes and other taxes and assessments, public or private; water and sewer rates and charges; all other governmental or non-governmental charges; any interest or costs or penalties with respect to any of the foregoing; and charges for any easement or agreement maintained for the benefit of the Mortgaged Property, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever which at any time prior to or after the execution of the Security Documents may be assessed, levied, or imposed upon the Mortgaged Property or the rent or income received therefrom, or any use or occupancy thereof (excluding Mortgagor's income taxes), and (ii) other taxes, assessments, fees and governmental and non-governmental charges levied, imposed or assessed upon or against Mortgagor or any of its properties.
- (g) **Improvements:** All buildings, structures, betterments, and other improvements of any nature now constructed or hereafter constructed or situated in whole or in part under, on, above or upon the Mortgaged Property, regardless of whether physically affixed thereto or severed or capable of severance therefrom, and all replacements thereof, which term includes any part thereof.
- (h) **Indebtedness:** The principal of, interest on and all other amounts, payments and premium due under the Note, any of the Loan Documents, and any advances made hereunder by Mortgagee, including but not limited to all Rate Management Obligations.
- (i) **Land:** The real estate (and other interest or interests in real estate, if any) described in EXHIBIT "A" attached hereto, which by this reference is made a part hereof for all purposes, which term includes any part of the Mortgaged Property ("Land" or "Real Property").
- (j) **Leases:** Any and all leases, tenancies, subleases, licenses, concessions or grants of other possessory interests granted by Mortgagor as Lessor, now or hereafter in force, oral or written, covering or affecting the Mortgaged Property.
- (k) **Loan:** The Loan in the amount of Two Million Eighty Five Thousand and No/100 (\$2,085,000.00) Dollars from Mortgagee to COUNTY LINE GROUP, INC., a Florida corporation, evidenced by the Note and the Loan Documents ("loan" or "Loan" or "loan transaction")
- (l) **Loan Agreement:** The Loan Agreement dated of even date herewith, between Mortgagor, COUNTY LINE GROUP, INC., a Florida corporation and Mortgagee.
- (m) **Maturity Date:** The Maturity Date set forth in the Note.
- (n) **Mortgaged Property:** The Land, the Improvements, the Fixtures and the Personal Property together with:
 (i) all buildings, structures and improvements of every nature whatsoever now and hereafter on said Premises;
 (ii) all insurance policies, Leases, subleases and other agreements affecting the use, enjoyment or occupancy of the Premises heretofore or hereafter entered into and all accounts, rents, revenues, issues and profits and all profits and all proceeds from the sale or other disposition of such agreements accruing and to accrue from said Mortgaged Property;

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- (iii) all gas, steam, electric, water and other heating, cooking, refrigerating, lighting, plumbing, ventilating, irrigating and power systems, machines, building materials, appliances, furniture, equipment, goods, inventory, supplies, fixtures and appurtenances and personal property of every nature whatsoever, which now or may hereafter pertain to or be used with, in or on said Land, even though they may be detached or detachable;
- (iv) all easements, rights-of-way, licenses, privileges, gores of Mortgaged Property, streets, ways, alleys, passages, sewer rights, waters, water rights, permits, development rights and powers and all estates, rights, titles and interests in any way belonging, relating or appertaining to the Mortgaged Property;
- (v) all Accounts, Goods, Chattel Paper, Deposit Accounts, Farm Products, Instruments, Documents, General Intangibles, Inventory, Consumer Goods, Equipment, Fixtures and Investment Property, as the foregoing terms are defined in the Uniform Commercial Code, and all contract rights, franchises, books, records, plans, specifications, approvals and actions which now or hereafter relate to, are derived from or are used in connection with the Land, or the use, operation, maintenance, occupancy or enjoyment thereof or the conduct of any business or activities thereon; all the tenements, hereditaments, appurtenances, reversions and remainders belonging or pertaining to the Mortgaged Property;
- (vi) any and all judgments, awards, settlements, claims, demands payments, proceeds or other income arising in connection with the Mortgaged Property;
- (vii) any items described in those certain UCC-1 Financing Statements of even date herewith between Mortgagor and Mortgagee; and
- (viii) any extensions, additions, increases, substitutions, replacements, parts, accessions, improvements, betterments, proceeds, products and renewals to any of the aforesaid property, whether now existing or hereafter arising, all of the foregoing being included in the term "Mortgaged Property", it being the intention of Mortgagor and Mortgagee that this Mortgage (which is to be filed for record in the real estate records of the county mentioned above) shall also constitute a security agreement and financing statement as to the Mortgaged Property herein mortgaged under the Illinois Uniform Commercial Code, and that Mortgagee have all rights and remedies of a secured party thereunder; which term includes any part of the foregoing property and is described as Mortgaged Property.
- (o) Note: The Promissory Note, dated as of even date with this Mortgage, made by COUNTY LINE GROUP, INC., a Florida corporation to the order of Mortgagee, in the original principal amount of Two Million Eighty Five Thousand and No/100 (\$2,085,000.00) Dollars and secured by this Mortgage, which has a Maturity Date as set forth therein, which by this reference is made a part hereof for all purposes together with all future advance Promissory notes executed in conjunction with this Mortgage and all renewals, extensions, modifications, and consolidations of any of the aforesaid.
- (p) Obligations: Any and all of the covenants, promises and other obligations (other than for the payment of the Indebtedness) made or owing by Mortgagor and/or Guarantors to Mortgagee under and as set forth in the Note, Security Documents, and Loan Documents.
- (q) Permitted Encumbrances: Permitted Encumbrances, if any, shown on EXHIBIT "B" attached hereto, which by this reference is made a part hereof for all purposes.
- (r) Personal Property: Personal property, if any, described in EXHIBIT "C" attached hereto, if any, which by this reference is made a part hereof for all purposes, which term includes any part of the Personal Property.
- (s) Rents: All of the rents, revenues, income, profits and other benefits now or hereafter arising from the occupancy, use and enjoyment of the Mortgaged Property.
- (t) Security Agreement: The security agreement set forth in this Mortgage, wherein and whereby Mortgagor grants a security interest in the Fixtures and the Personal Property to Mortgagee, and any other security agreement, if any, between Mortgagor and Mortgagee, dated of even date herewith, wherein and whereby Mortgagor grants a security interest in the collateral described therein to Mortgagee to secure repayment of the Note.
- (u) Security Documents: This Mortgage, the Assignment of Rents and Leases, Collateral Assignment of Contract Rights (if applicable), Collateral Assignment of Agreements Affecting Real Property, the Financing Statements, the Security Agreement, the Loan Agreement, and the Note, all of even date herewith.
- (v) Financing Statements: The Financing Statements filed, or to be filed, with the Secretary of State for the State of Illinois and recorded, or to be recorded in the County or Counties where the Mortgaged Property is located perfecting the Security Interest created by the Security Agreement.
- (w) Assignment of Leases and Rents: The assignment of the tenancies, leases, rents and profits set forth in this Mortgage, wherein and whereby Mortgagor assigns the Leases, Rents and Profits from the Mortgaged Property to Mortgagee, and any other Collateral Assignment of Leases and Rents, if any, between Mortgagor and Mortgagee, dated of even date herewith whereby Mortgagor assigns the Rents, Leases and Profits from the Mortgaged Property to the Mortgagee.
- (x) Collateral Assignment of Agreements Affecting Real Estate: Assignments of all contracts and agreements which touch or affect the Property, and all rights therein (All contracts and agreements are hereafter referred to collectively as "Contracts".)
- (y) Intentionally Deleted.
- (z) Intentionally Deleted.

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(a)(a) Loan Documents: All documents stated herein, including, but not limited to, the Security Documents, Financing Statements, the Note, the Guaranty, Loan Agreement, the Commitment, Assignment Of Leases And Rents, Collateral Assignment Of Agreements Affecting Real Estate and all other documents executed, prepared and/or delivered in conjunction with or implementing the loan transaction between COUNTY LINE GROUP, INC., a Florida corporation and Mortgagee including, but not limited to, that Mortgage and Security Agreement executed by COUNTY LINE GROUP, INC., a Florida corporation in favor of Mortgagee on that real property located in Miami-Dade County, Florida.

ARTICLE II

GRANT

2.1 Grant: To secure the payment of One Million and No/100 (\$1,000,000.00) Dollars of the Note in the original principal amount of Two Million Eighty Five Thousand and No/100 (\$2,085,000.00) Dollars along with all other Indebtedness, and the performance and discharge of the Obligations, Mortgagor does by these presents give, transfer, grant, bargain, sell, alien, remise, release, assign, mortgage, hypothecate, deposit, setover, confirm, convey and warrant unto Mortgagee the Mortgaged Property and all estate, right, title and interest of Mortgagor in and to the Mortgaged Property subject only to the Permitted Encumbrances, to have and to hold the Mortgaged Property unto Mortgagee, its successors and assigns forever.

2.2 Condition of Grant: The condition of these presents is such that if Mortgagor or any party shall pay or cause to be paid the Indebtedness as and when the same shall become due and payable and shall observe, perform and discharge the Obligations, then the Loan Documents and the estates and rights granted by them shall be null and void, otherwise to remain in full force and effect.

2.3 Mortgagor acknowledges and agrees they have received sufficient consideration for granting this Mortgage as Mortgagor is also the sole principal of COUNTY LINE GROUP, INC., a Florida corporation.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Mortgagor hereby represents and warrants to Mortgagee that:

- 3.1 Intentionally Deleted.
- 3.2 Validity of Loan Instruments: (a) The execution, delivery and performance by Mortgagor of the Note, the Security Documents and/or the Loan Documents, and the borrowing evidenced by the Note, (i) Intentionally Deleted; (ii) Intentionally Deleted; (iv) has received all necessary governmental approval, and (v) will not violate any provision of law, any order of any court or other agency of government, or any indenture, any agreement or other instrument to which Mortgagor is a party or by which it or any of its property is bound, or be in conflict with, result in a breach of or constitute (with due notice or lapse of time) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of its property or assets, except as contemplated by the provisions of the Security Documents and/or the Loan Documents; and (b) the Note and the Security Documents and the Loan Documents, when executed and delivered by Mortgagor will constitute the legal, valid and binding obligations of Mortgagor in accordance with their respective terms.
- 3.3 Validity of Guaranty: The execution, delivery and performance by Guarantor of the Guaranty and any other Loan Documents, when executed and delivered by Guarantor will constitute the legal, valid and binding obligations of Guarantor in accordance with their respective terms.
- 3.4 Other Information: All other information, reports, financial statements, papers and data given and to be given to Mortgagee with respect (a) to Mortgagor, the Maker of the Note if different from Mortgagor, (b) to the loan evidenced by the Note and the Security Documents and the Loan Documents or (c) to others, if any, obligated under the terms of the Security Documents and the Loan Documents are true, accurate and correct in all material respects and complete insofar as completeness may be necessary to give Mortgagee a true and accurate knowledge of the subject matter.
- 3.5 Mortgaged Property and Other Property: Mortgagor has good and marketable title in fee simple to the Mortgaged Property, and has, and will have, good and marketable title to the Improvements, Fixtures and Personal Property all free and clear of any liens, charges, encumbrances, security interests and adverse claims whatsoever except the Permitted Encumbrances as applicable. Mortgagor will preserve its title to the Mortgaged Property and will forever warrant and defend the same to the Mortgagee and will forever warrant and defend the validity and priority of the lien of this Mortgage against the claims of all persons and parties whomsoever.
- 3.6 Taxes: Mortgagor has filed all Federal, State, County and Municipal income tax returns required to have been filed by it and has paid all taxes which have become due pursuant to such returns, pursuant to any assessments received by it or pursuant to law, and Mortgagor does not know of any basis for additional assessment in respect of such taxes or additional taxes.
- 3.7 Litigation: There is not now pending against or affecting Mortgagor or the Mortgaged Property or any part of it, nor, to the knowledge of Mortgagor, is there threatened or contemplated any action, suit or proceeding at law or in equity or by or before any administrative agency which if adversely determined would materially impair or affect its financial condition or operation or Mortgagor's ownership of the Mortgaged Property.
- 3.8 Utilities: There is available to the Mortgaged Property through public or private easements or rights-of-way abutting or crossing the Mortgaged Property (which would inure to the benefit of Mortgagee in case of enforcement of this

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Mortgage prior to the construction of any Improvements) a water supply approved by all health and other authorities having jurisdiction, a sanitary sewer service approved by all health and other authorities having jurisdiction, electric service, and telephone service, of sufficient capacity to serve the needs of the Mortgaged Property according to its intended use.

ARTICLE IV AFFIRMATIVE COVENANTS

Until the entire Indebtedness shall have been paid in full, Mortgagor hereby covenants and agrees as follows:

- 4.1 **Existence:** If Mortgagor is not a natural person, Mortgagor will preserve and keep in full force and effect its entity existence, rights, franchises and trade names.
- 4.2 **Compliance with Laws:** Mortgagor will promptly and faithfully comply with, conform to and obey all present and future laws, ordinances, rules, regulations and requirements of every duly constituted governmental entity, authority or agency and of every Board of Fire Underwriters having jurisdiction, or similar body exercising similar functions, which may be applicable to it or to the Mortgaged Property or to the use or manner of use, occupancy, possession, operation maintenance, alteration, repair or reconstruction of the Mortgaged Property, whether or not such law ordinance, rule, order, regulation or requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Mortgaged Property, including, but not limited to the Americans With Disabilities Act of 1990 and all rules promulgated under said act. The Mortgagor hereby represents that the Mortgaged Property is presently zoned and classified under the zoning code presently in effect in the jurisdiction where the Mortgaged Property is located that permits the Mortgaged Property to be used for its intended use.
- 4.3 **Payment of Impositions:** Mortgagor will duly pay and discharge, or cause to be paid and discharged, the Impositions, such Impositions or installments thereof to be paid not later than the due date thereof, or the day any fine, penalty, interest or cost may be added thereto or imposed by law for the non-payment thereof (if such day is used to determine the due date of the respective item); provided, however, that if, by law, any Imposition may be paid in installments, at the option of the taxpayer or other person obligated to pay it (whether or not interest shall accrue on the unpaid balance of such Imposition), Mortgagor may exercise the option to pay the same in such installments.
- 4.4 **Repair:** Mortgagor will keep the Mortgaged Property in such order and condition and make such necessary or appropriate repairs and replacements thereof and betterments and improvements thereto, ordinary and extraordinary, foreseen and unforeseen as is required by applicable law, and use its best efforts to prevent any act or thing which might impair the value or usefulness of the Mortgaged Property.
- 4.5 **Insurance:** Mortgagor will maintain in full force and effect paid insurance upon such part of the Mortgaged Property as is usually insurable against loss by fire and such other hazards, casualties and contingencies as are normally and usually covered by "all risk" coverage policies usually in effect in the locality where such part of the Mortgaged Property is situated, windstorm, and such other risks as may be specified by Mortgagee from time to time, as well as an insurance policy covering such hazards, all such policies in amounts and with insurers of recognized responsibility and which are acceptable to Mortgagee; Mortgagor will cause each insurance policy issued in connection with this paragraph to provide (and the insurer issuing such policy to certify to Mortgagee) that (a) loss payments will be payable to Mortgagee, such payments to be applied, at the option of Mortgagee, to the restoration, repair or replacement of the Mortgaged Property, or to the payment of the Indebtedness, whether or not due; (b) the interest of Mortgagee shall be insured regardless of any breach or violation by Mortgagor of any warranties, declarations or conditions in such policy; (c) if any such insurance policy be subject to cancellation or be endorsed or sought to be endorsed to effect a change in coverage for any reason whatsoever, such insurer will promptly notify Mortgagee and such cancellation or change shall not be effective as to Mortgagee until thirty (30) days after receipt by Mortgagee of such notice; and (d) Mortgagee may, but shall not be obligated to, make premium payments to prevent lapse or cancellation by reason of nonpayment of premium, and that such payments shall be accepted by the insurer. Mortgagor shall furnish to Mortgagee the original of each such policy at the time of execution hereof, and the original of each renewal policy not less than thirty (30) days prior to the expiration of the original policy or the preceding renewal policy (as the case may be), together with receipts or other evidence that the premiums thereon have been paid. In the event of enforcement of this Mortgage by Mortgagee or transfer of title to the Mortgaged Property in extinguishment of the Indebtedness, all right, title and interest of Mortgagor in and to all insurance policies then in force with respect to the Mortgaged Property shall pass to the purchaser or grantee. Mortgagor shall not take out separate insurance concurrent in form or contributing in the event of loss with that to be required under this paragraph, unless Mortgagee is included thereon as a named insured with loss payable to Mortgagee. The Mortgagor shall immediately notify the Mortgagee whenever any such separate insurance is taken out and shall promptly deliver to Mortgagee the policy or policies of such insurance.

In addition, if Mortgagee requires, Mortgagor shall obtain:

Comprehensive General Liability and Statutory Workers' Comprehensive Insurance. A certificate from an insurance company indicating that Mortgagor and Contractor are covered to the satisfaction of Mortgagee by comprehensive general liability insurance coverage and statutory workers' compensation coverage, in such amounts and form and by such companies as shall be approved by Mortgagee. This policy must be paid one year in advance.

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Flood Insurance. Flood insurance issued by an acceptable company in the amount of the loan or the maximum coverage available or appropriate evidence that such insurance is not necessary.

Builders Risk Insurance. Builder's risk insurance in amounts sufficient to satisfy full replacement costs of the construction of the Improvements and any other work contemplated hereunder, or in such other amounts, and by such companies as shall be approved by Mortgagee.

As to all of the insurance obtained under paragraph 4.5, the originals of such policies (together with appropriate endorsements thereto), evidence of payment of premiums thereon, shall be promptly delivered to Mortgagee and further shall name Mortgagee as mortgagee on the loss payee clause as an additional insured. The policies shall include an agreement by the insurer to provide Mortgagee thirty (30) days prior written notice after receipt of such notice by Mortgagee prior to any cancellation or change in said policy. All policies will be paid one year in advance.

4.6 Restoration Following Insured Casualty: In the event of the happening of any casualty of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, of the kind to be covered by insurance under paragraph 4.5, resulting in damage to or destruction of any part of the Mortgaged Property, Mortgagor will promptly give notice thereof to Mortgagee, and if Mortgagee elects upon request of Mortgagor to permit Mortgagor to apply the insurance proceeds to the restoration, repair or replacement of the damaged or destroyed Mortgaged Property, Mortgagor will promptly, at Mortgagor's sole cost and expense, whether or not the insurance proceeds shall be sufficient for the purpose, commence and diligently continue to restore, repair, replace, rebuild or alter the damaged or destroyed Mortgaged Property as nearly as possible to its value, condition and character immediately prior to such damage or destruction. Election by Mortgagee to permit Mortgagor to apply the insurance proceeds to the restoration, repair or replacement of the damaged or destroyed Mortgaged Property shall not affect the lien of this Mortgage or reduce the amount of the Indebtedness secured by this Mortgage. Otherwise, the proceeds will be delivered to Mortgagee to be applied towards the Indebtedness.

4.7 Restoration Following Uninsured Casualty: In the event of the happening of any casualty of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, not covered by insurance under paragraph 4.5, resulting in damage to or destruction of the Mortgaged Property, Mortgagor will give notice thereof to Mortgagee and Mortgagor will promptly, if Mortgagee elects, at Mortgagor's sole cost and expense, commence and diligently continue to restore, repair, replace, rebuild or alter the damaged or destroyed Mortgaged Property as nearly as possible to its value, condition and character immediately prior to such damage or destruction. Election by Mortgagee to permit Mortgagor to apply the insurance proceeds to the restoration, repair or replacement of the damaged or destroyed Mortgaged Property shall not affect the lien of this Mortgage or reduce the amount of the Indebtedness secured by this Mortgage. Otherwise, the proceeds will be delivered to Mortgagee to be applied towards the Indebtedness.

4.8 Performance of Other Agreements: Mortgagor will duly and punctually perform all covenants and agreements expressed as binding upon it under the Leases Permitted Encumbrances, Contracts, or any other agreements of any nature whatsoever to which it is a party which involves the Mortgaged Property.

4.9 Inspection: Mortgagor will permit Mortgagee and parties designated by Mortgagee, at all reasonable times, to inspect the Mortgaged Property.

4.10 Hold Harmless: Mortgagor will defend at its own cost and hold Mortgagee harmless from any action, proceeding or claim affecting the Mortgaged Property, or the value of the Note or the Security Documents and/or the Loan Documents, arising out of action or inaction by Mortgagor including, but not limited to, any attorneys' fees and costs incurred by Mortgagee in the defense or prosecution of such claims.

4.11 Contest of Tax Assessments, Etc.: After prior written notice to Mortgagee, Mortgagor, at its own expense, may contest by appropriate legal proceedings, promptly initiated and conducted in good faith and with due diligence, the amount, validity or application, in whole or in part, of (a) any of the legal requirements referred to in paragraph 4.2, or (b) any Imposition; provided that (i) in the case of any unpaid Imposition, such proceedings shall suspend the collection thereof from Mortgagor and from the Mortgaged Property, (ii) the Mortgaged Property will not be in danger of being sold, forfeited, terminated, canceled or lost, (iii) the use of the Mortgaged Property for its present intended purpose or purposes will not be interrupted, lost or terminated, (iv) Mortgagor shall have set aside adequate reserves with respect thereto or place in force an adequate performance or payment bonds, or both, and (v) Mortgagor shall have furnished such security as may be required in the proceedings or as may be reasonably requested by Mortgagee.

4.12 Expenses: The Mortgagor will pay or reimburse the Mortgagee for all reasonable attorneys' fees (including paralegal fees), costs and expenses paid or incurred by the Mortgagee in any action, proceeding or dispute of any kind (including, but not limited to, those incurred prior to or without trial in mediation or arbitration, at trial, bankruptcy, on appeal or otherwise) in which the Mortgagee is made a party or appears as party plaintiff or defendant, affecting the Note, this Mortgage, Mortgagor, the Loan Documents, the Makers of the Note if different from Mortgagor, the Mortgaged Property, including but not limited to the foreclosure or other enforcement of this Mortgage, any condemnation or eminent domain action involving the Mortgaged Property or any part thereof, any action to protect the security hereof, or any proceeding in probate, reorganization or bankruptcy, and any such amounts paid or incurred by the Mortgagee shall be added to the Indebtedness, shall bear interest at the Default Rate from date of payment and shall be secured by the lien of this Mortgage.

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4.13 Performance of the Commitment. The terms of the Commitment, if any, shall survive the execution and delivery of this Mortgage and Mortgagor shall timely comply with, abide by and perform all the terms, obligations and conditions of the Commitment on its part to be complied with, abided by and performed.

4.14 Payment of Indebtedness: Mortgagor will timely pay and discharge the Indebtedness or any part thereof in accordance with the terms and conditions of the Note and the Security Documents and Loan Documents.

4.15 Tax and Insurance Escrow: Supplementing the provisions of paragraphs 4.3 and 4.5 hereof, and if required by Mortgagee, if Mortgagee deems itself insecure and/or the financial condition of Mortgagor has been adversely affected, the Mortgagor shall pay to Mortgagee on the payment date of installments of principal and/or interest, together with and in addition to such installments of principal and/or interest, until the Note is fully paid, an installment of the Impositions and insurance premiums for such insurance as is required hereunder next due on the Mortgaged Property in an amount sufficient, as estimated by Mortgagee, to accumulate the sum required to pay such Impositions and insurance, as applicable, ninety (90) days prior to the due date thereof (in the case of taxes, ninety (90) days prior to the earliest date in which the same may be paid). Amounts held hereunder shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of Mortgagee, and no interest shall be payable with respect thereto unless required by applicable law. Upon demand of Mortgagee, Mortgagor agrees to deliver to Mortgagee such additional money as is necessary to make up any deficiencies in the amounts necessary to enable Mortgagee to pay such Impositions and insurance premiums when due. In case of an Event of Default, the Mortgagee may apply to the reduction of the Indebtedness, at such times and in such manner as the Mortgagee shall determine, any amount under this paragraph remaining to the Mortgagor's credit.

ARTICLE V**NEGATIVE COVENANTS**

Until the entire Indebtedness shall have been paid in full, Mortgagor hereby covenants and agrees as follows:

- 5.1 Use Violations: Mortgagor will not use the Mortgaged Property or allow the same to be used or occupied for any unlawful purpose or in violation of any permit or certificate, or any law, ordinance, regulation or restrictive covenant, covering, affecting or applying to the ownership, use or occupancy thereof, or permit or suffer any act to be done or any condition to exist on the Mortgaged Property or any article to be brought thereon, which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private.
- 5.2 Alterations, Etc.: Mortgagor will not commit or knowingly permit any waste of the Mortgaged Property or perform any clearing, grading, filling or excavation of the Mortgaged Property or make or permit to be made any alterations or additions to the Mortgaged Property except in connection with the anticipated improvements to be made to the Property.
- 5.3 Replacement of Fixtures, Improvements or Personal Property: Mortgagor will not permit any of the Fixtures or Improvements (or Personal Property, if any) to be removed at any time from the Mortgaged Property, without the prior written consent of Mortgagee, unless actually replaced by an article of equal suitability and value, owned by Mortgagor and free of any vendor's lien, and unless such replacement article is encumbered by this Mortgage free and clear of any lien or security interest except such as may be approved in writing by Mortgagee.
- 5.4 Other Liens: Mortgagor will not, without the prior written consent of Mortgagee, create or permit to be created or to remain, any mortgage, lien, encumbrance or charge on (whether prior or subordinate to the lien of this Mortgage) the Mortgaged Property or income therefrom, or any portion thereof, other than the Security Documents, Loan Documents, and the Permitted Encumbrances.
- 5.5 Change In Ownership of Mortgagor: If Mortgagor is not a natural person, Mortgagor will not, without the prior written consent of Mortgagee, do or permit another to do any of the following: (i) transfer any ownership in Mortgagor; or, (ii) issue any additional stock or other evidence of ownership of Mortgagor after the date hereof.
- 5.6 Removal or Demolishment: Mortgagor will not, without the prior written consent of Mortgagee, remove, demolish or substantially alter any Improvements on the Mortgaged Property, outside of the work contemplated in the plans and specifications referenced in the Loan Commitment and the Loan Agreement, if applicable.
- 5.7 Use, Preservation and Maintenance of Property:
- (a) Mortgagor shall permit, commit or suffer no waste, impairment or deterioration of the Premises, or any part thereof; and, upon the failure of Mortgagor to keep the Mortgaged Property in good condition of repair, Mortgagee may demand the immediate repair of said Mortgaged Property or increases in the amount of security. Mortgagor shall permit no exploration for, nor mining or other means of production of minerals or other natural resources from the Mortgaged Property. Mortgagor shall promptly comply with all laws, regulations and requirements of all governmental bodies affecting the Mortgaged Property, including, but not limited to, full compliance with the Americans With Disabilities Act of July 26, 1990, 42 U.S.C. Section 12191, et seq., as amended from time to time, and all regulations promulgated pursuant thereto. Except for the improvements for which this Loan is to be used, Mortgagor shall not construct or permit the construction of any improvements to the Mortgaged Property without Mortgagee's prior written consent, which consent will not be unreasonably withheld or delayed.
- (b) Mortgagor shall keep Mortgagee informed as to the status of any zoning or other land use proceeding affecting the Mortgaged Property. If under applicable zoning provisions, the use of all or any portion of the Mortgaged Property are or shall become a nonconforming use, Mortgagor will not cause or permit such nonconforming use to be discontinued

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or abandoned without the express written consent of Mortgagee. Mortgagor shall not permit or suffer to occur any waste on or to the Mortgaged Property or to any portion thereof and shall not take any steps whatsoever to convert the Mortgaged Property or any portion thereof, to a condominium or cooperative form of management. Mortgagor will not install or permit to be installed on the Mortgaged Property any underground storage tank or above-ground storage tank without the written consent of Mortgagee.

**ARTICLE VI
EVENTS OF DEFAULT**

The term "Event of Default," as used in this Mortgage and the Loan Documents, shall mean (in addition to the occurrence or happening designated as a default or Event of Default in the respective Loan Document) the occurrence or happening, at any time or from time to time, of any one or more of the following:

- 6.1 **Non-Payment of Indebtedness:** If Mortgagor shall default in the due and punctual payment of all of the Indebtedness or any portion of any installment or part of the Indebtedness as and when the same shall be or become due and payable or payment relating to any other Indebtedness or monetary Obligations, and such default continues for a period of ten (10) days.
- 6.2 **Performance of Obligations:** If Mortgagor shall (a) default in the due observance or performance of any of the non-monetary Obligations, or (b) violate any of the negative or other covenants contained in Article V and such default or violation continues for a period of thirty (30) days following the date of written notice thereof from Mortgagee.
- 6.3 **False Representation:** If any representation or warranty made by or on behalf of Mortgagor, Guarantor or others in, under or pursuant to the Note, the Security Documents or the Loan Documents shall be false or misleading in any respect as of the date on which such representation or warranty was made.
- 6.4 **Judgment:** If a final judgment for the payment of money in excess of Twenty Five Thousand and No/100 (\$25,000.00) Dollars shall be rendered against Mortgagor, the Makers of the Note if different from Mortgagor or any Guarantor, and such judgment is not satisfied within fifteen (15) days after rendering.
- 6.5 **Voluntary Bankruptcy, Etc.:** If Mortgagor or the Maker of the Note if different from Mortgagor or any Guarantor shall (a) voluntarily be adjudicated a bankrupt or insolvent, or (b) seek or consent to the appointment of a receiver or trustee for itself or for all or any part of its property, or (c) file a petition seeking relief under the bankruptcy or other similar laws of the United States or any state or any other competent jurisdiction, or (d) make a general assignment for the benefit of creditors, or (e) admit in writing its inability to pay its debts as they mature.
- 6.6 **Involuntary Bankruptcy, Etc.:** If a court of competent jurisdiction shall enter an order, judgment or decree appointing, with or without the consent of Mortgagor, the Makers of the Note if different from Mortgagor, or any Guarantor, a receiver or trustee for any Mortgagor, the Maker of the Note if different from Mortgagor or any Guarantor or for all or any part of any property (including the Mortgaged Property) of any Mortgagor, the Maker of the Note if different from Mortgagor or any Guarantor or approving a petition filed against any Mortgagor, the Maker of the Note if different from Mortgagor or any Guarantor seeking relief under the bankruptcy or other similar laws of the United States or any state or other competent jurisdiction, and such order, judgment or decree shall remain in force undischarged or unstayed for a period of thirty (30) days.
- 6.7 **Dissolution or Death:** (a) If Mortgagor shall dissolve or liquidate without the prior written consent of Mortgagee, or (b) if any Guarantors shall die or dissolve.
- 6.8 **Acceleration Under Article XIII Hereof:** If any breach of terms of Article XIII occurs hereunder and/or Mortgagee accelerates the due date for payment of the Indebtedness under Article XIII hereof.
- 6.9 **Foreclosure of Other Liens:** If the holder of any mortgage, security agreement, deed of trust, deed to secure debt or other lien on the Mortgaged Property, whether a Permitted Encumbrance or not (without hereby implying Mortgagee's consent to any such mortgage, security agreement, deed of trust, deed to secure debt or other lien) institutes foreclosure or other proceedings for the enforcement of any of its remedies thereunder.
- 6.10 **Liens:** If any liens for labor material or otherwise, or any liens of any sort including, but not limited to, liens created by virtue of a subordinate mortgage other than the Subordinate Loan, are filed and/or recorded against the Mortgaged Property or any of the Mortgaged Property, and not removed, bonded or released within sixty (60) days thereafter.
- 6.11 **Levy Upon the Mortgaged Property:** If a levy be made under any process or, on a receiver appointed for any of the Mortgaged Property
- 6.12 **Failure to Dispute/Change:** If Mortgagee shall suspect the occurrence of one or more of the above said Events of Default and Mortgagor, upon request of the Mortgagee, shall fail to provide evidence, reason, and/or satisfaction to Lender that such Event or Events of Default has not in fact occurred, or Mortgagee shall reasonably determine that a material adverse change has occurred in Mortgagor's or any Guarantor's financial condition.
- 6.13 **Default of Contracts or Leases:** If Mortgagor breaches any of the terms of the Contracts or Leases, and such breach continues for a period of thirty (30) days following written notice thereof.
- 6.14 **Default of Other Loan or Other Documents:** If Mortgagor defaults or breaches any other loan or loan documents between Mortgagor and Mortgagee, or a default or Event of Default occurs under any other loan between Mortgagee and Guarantors or any related Borrower (any party that owns an interest in Borrower or Guarantors) of Mortgagor or

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Guarantors. A default or Event of Default in said case under any such documents shall constitute an Event of Default hereunder.

6.15 Default Under Loan Documents: Any Event of Default occurs under any of the Loan Documents or any other document executed in conjunction with the Loan.

6.16 Other Events of Default: Any occurrence or happening described as a default or an Event of Default under this Mortgage, including but not limited to any contained in paragraph of Article XIII of this Mortgage.

6.17 Insecurity: Mortgagee in good faith believes itself insecure.

6.18 If any default or event of default occurs and/or foreclosure proceedings are initiated with respect to either and/or both of those prior mortgages on the Real Property in favor of Amcore Bank, N.A.

ARTICLE VII**DEFAULT AND FORECLOSURE**

7.1 Remedies: If an Event of Default shall occur Mortgagee may, at its option, exercise any, some or all of the following remedies, concurrently or consecutively:

7.1.1 Acceleration: Declare the unpaid portion of the Indebtedness to be immediately due and payable, without further notice or demand (each of which hereby is expressly waived by Mortgagor), whereupon the Indebtedness shall become immediately due and payable, anything in the Note or in the Security Documents or Loan Documents to the contrary notwithstanding.

7.1.2 Safeguarding or Completion of Improvements; Additional Future Advances: To the maximum extent permitted under the laws of the state in which the Mortgaged Property is situated, Mortgagee shall have the right, but not the duty, to enter into possession of the Mortgaged Property and perform or engage others to perform any and all work and labor, supply materials and incur any costs and expenses, including attorneys' fees, necessary to protect, secure or complete the Improvements substantially in accordance with the Plans and Specifications therefore (the "Plans and Specifications") as defined in the Loan Agreement with such changes in the Plans and Specifications as Mortgagee may deem desirable and employ watchmen to protect the Mortgaged Property. If Mortgagee undertakes any, some or all of its rights in the first sentence of this paragraph, Mortgagor agrees that on account thereof (a) Mortgagee may continue to make future advances of the unadvanced portion of the principal of the Note, even if such advances are not in accordance with the Loan Agreement but are in such manner and for such purposes as Mortgagee deems advisable and (b) Mortgagee may make additional future advances (the "Additional Future Advances") in such manner and for such purposes as Mortgagee deems advisable, even if such advances are in excess of the original principal amount of the Note. The Additional Future Advances shall bear interest at the Default Rate from date of disbursement and the Additional Future Advances and interest thereon shall be payable in accordance with the terms of the Note and this Mortgage. Mortgagor agrees that all of the advances made under the provisions of the second sentence of this paragraph shall be deemed to have been advanced by Mortgagee to Mortgagor and all such advances shall be a portion of the Indebtedness and shall be secured by the lien of this Mortgage. For the purpose of exercising its rights under the first sentence of this paragraph, Mortgagor hereby constitutes and appoints Mortgagee its true and lawful Attorney-in-Fact with full power of substitution and empowers said attorney as follows: to use any funds of Mortgagor, including any balance of Mortgagor's funds which may be held in escrow, and any funds which Mortgagee has the right to advance as provided in the second sentence of this paragraph, on account of any, some of or all of the rights of Mortgagee under the first sentence of this paragraph; to make such additions and changes and corrections in the Plans and Specifications; to employ such attorneys, contractors, sub-contractors, agents, architects and inspectors as shall be required for the exercise of said rights by Mortgagee; to pay, settle or compromise all existing bills and claims which are, may, or appear to be liens against the Mortgaged Property, or the payment of which may be necessary or desirable in the opinion of Mortgagee for the completion of the construction of any improvements, the protection of the Improvements or the clearance of title, without inquiring into the accuracy or validity of any thereof; to execute in the name of the Mortgagor all applications and certificates which may be required by any construction contract; and with respect to the construction of the Improvements to do any and every act which Mortgagor may do in its own behalf. It is understood and agreed that this power of attorney shall be deemed to be a power coupled with an interest which cannot be revoked. Said Attorney-In-Fact shall also have power, but not the duty, to prosecute and defend all actions or proceedings in connection with the construction of the Improvements and to take such action and require such performance as it deems necessary.

Mortgagor hereby assigns and transfers to Mortgagee all sums advanced hereunder and all sums in escrow, subject to the condition that said sums, if any, be used in connection with any, some or all of the rights of Mortgagee set forth in the first sentence of this paragraph, and provided, however, that this sentence shall in no way restrict the use or rights of Mortgagee in or of any other collateral (whether cash or otherwise) held by Mortgagee under any other agreements with Mortgagor or others in conjunction with or as security for the Indebtedness. The Event of Default giving rise to the rights of Mortgagee under this paragraph shall be a continuing Event of Default and even though Mortgagee has elected to exercise its rights under this paragraph, such an Event of Default and any other Events of Default thereafter occurring shall continue to exist and Mortgagee, at its option and without notice to Mortgagor, may at any time cease exercising its rights under this paragraph and may exercise any other remedy under this Mortgage by reason of such continuing Event of Default or Events of Default.

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7.1.3 Enforcement of Mortgage: Mortgagee, with or without entry, personally or by its agents or attorneys, insofar as applicable, may:

(a) foreclose this Mortgage by action for any and all delinquent installments, the Indebtedness, and any other indebtedness secured hereunder, and the Mortgagor hereby authorizes the Mortgagee to do so, power being herein expressly granted to sell the Mortgaged Property at public auction without any prior hearing or notice thereof and to convey the same to the purchaser, in fee simple, pursuant to the statutes of Illinois in such case made and provided, and out of the proceeds arising from such sale, to pay first attorneys' fees and other legal expenses and costs relating to any foreclosure permitted by law and then for any and all Indebtedness secured hereby with interest, which attorneys fees, costs, and payments the Mortgagor agrees to pay; or

(b) institute proceedings to collect any delinquent installment or installments of the Indebtedness without accelerating the due date of the entire Indebtedness; or

(c) take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any Obligation, covenant, condition or agreement in the Note, granted in the Security Documents, or in aid of the execution of any power herein, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Mortgagee shall elect; or

(d) enforce this Mortgage in any other manner permitted under the laws of the state in which the Mortgaged Property is situated.

7.1.4 Sale: Any sale or sales made under or by virtue of this Article, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever at law or in equity, of the Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against the Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under the Mortgage, to the maximum extent permitted by the law of the state in which the Mortgaged Property is located.

7.1.5 Receiver: Apply to any court of competent jurisdiction to have a receiver appointed to enter upon and take possession of the Mortgaged Property, collect the Rents and profits therefrom and apply the same as the court may direct, such receiver to have all of the rights and powers permitted under the laws of the state in which the Mortgaged Property is situated. The right to the appointment of such receiver shall be a matter of strict right without regard to the value or the occupancy of the Mortgaged Property or the solvency or insolvency of Mortgagor. The expenses, including receiver's fee, counsel's fees, costs and agent's commission incurred pursuant to the powers herein contained shall be secured hereby.

7.1.6 Remedies as to Personal Property: Mortgagee may exercise any or all of its rights and remedies under the Uniform Commercial Code or other applicable law of the state in which the Mortgaged Property is located as well as all other rights and remedies possessed by Mortgagee, all of which shall be cumulative. Mortgagee hereby is authorized and empowered to enter the Mortgaged Property or other place where the Personal Property may be located without legal process, and take possession of the Personal Property without notice or demand which hereby are waived. Whenever Mortgagor is in default hereunder, or an Event of Default has occurred hereunder, and upon demand by Mortgagee, Mortgagor shall make the Personal Property available to Mortgagee at a place reasonably convenient to Mortgagee. Mortgagee may waive any Event of Default before or after that Event of Default has been declared, without impairing its right to declare a subsequent Event of Default hereunder, this right being a continuing one. Mortgagee, with notice may sell at one or more public or private sales, and for such price as the Mortgagee may deem fair, any and all of the Personal Property secured by this Mortgage or the Security Agreement, and any other security or property held by the Mortgagee. Mortgagee may be the purchaser of any or all of the Personal Property and may hold the Personal Property thereafter in its own right absolutely, free from any claims of Mortgagor or right of redemption. It is expressly agreed in accordance with the provisions of the Illinois Uniform Commercial Code, ten (10) days notice by Mortgagee to Mortgagor shall be deemed to be reasonable notice under any provision of the Illinois Uniform Commercial Code requiring such notice; provided, that Mortgagee may at its option dispose of the collateral in accordance with Mortgagee's rights and remedies in respect to the real property pursuant to the provisions of this Mortgage, in lieu of proceeding under the Illinois Uniform Commercial Code.

7.1.7 Late Charge: In the event Mortgagor fails to make any payment or to perform any other covenant required by this Mortgage, and such failure continues for a period of ten (10) days, Mortgagor shall pay a late charge in the amount of five (5%) percent of the delinquent payment of the then applicable monthly installment (if breach of a covenant other than payment).

7.1.8 Writ of Garnishment: Mortgagor hereby consents to the issuance of a continuing writ of garnishment or attachment against disposable earnings in accordance with Illinois Statutes, in order to satisfy, in whole or in part, any money judgment entered in favor of Mortgagee.

7.1.9 Judgment: Mortgagee may seek and recover judgment for all amounts due and payable in accordance with the Loan Documents either before, after or during the pendency of any other proceedings or action to obtain relief under or with respect to this Mortgage or the Loan Documents or both, and Mortgagee's right to seek and recover any such judgment will not be affected by obtaining any such other relief. Neither the security interests referenced by this Mortgage nor the rights and remedies to the Mortgagee hereunder will be impaired in any way by the recovery of any judgment upon any portion of the Mortgaged Property until the Indebtedness is paid in full.

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7.1.10 Other: Mortgagee may exercise any other remedy now or hereafter existing in equity, at law, by virtue of statute or otherwise of the state in which the Mortgaged Property is situated.

7.2 Separate Sales: Any real estate or any interest or estate therein sold pursuant to any court order obtained by virtue of this Mortgage, or pursuant to any other judicial proceedings under this Mortgage, may be sold in one parcel, as an entirety, or in such parcels, and in such manner or order as Mortgagee, in its sole discretion, may elect to the maximum extent permitted by the laws of the state in which the Mortgaged Property is situated.

7.3 Remedies Cumulative and Concurrent: The rights and remedies of Mortgagee as provided in this Mortgage, the Note, the Security Documents, any of the Loan Documents, shall be cumulative and concurrent and may be pursued separately, successively or together against Mortgagor, the Makers of the Note if different from the Mortgagor, Guarantors, the Mortgaged Property or any part or parcel thereof, any other collateral, or any one or more of them, at the sole discretion of Mortgagee, and may be exercised as often as occasion therefore shall arise, all to the maximum extent permitted by the laws of the state in which the Mortgaged Property is situated. If Mortgagee elects to proceed under one right or remedy under this Mortgage, the Security Documents, the Note, or any of the Loan Documents, Mortgagee may at any time cease proceeding under such right or remedy and proceed under any other right or remedy under this Mortgage, the Security Documents, the Note or any of the Loan Documents. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

No right or remedy conferred upon or reserved to Mortgagee by this Mortgage is intended to be exclusive of any other right or remedies. Mortgagee's failure to insist at any time upon a strict observance or performance by Mortgagor of any of the provisions of this Mortgage, or to exercise any right or remedy provided in this Mortgage will not impair any such right or remedy nor be construed as a waiver or relinquishment thereof for the future. Receipt of Mortgagee of any payment required to be made pursuant to this Mortgage or the Loan Documents or both with knowledge of the breach or Event of Default of any provision of this Mortgage or the Loan Documents or both will not constitute a waiver of such breach or Event of Default. In addition to all of the remedies provided in this Mortgage and Loan Documents, Mortgagee will be entitled, to the extent permitted by law and/or by virtue of any equitable rights, to injunctive relief in the case of a violation or attempted or threatened violation of any of the provisions of this Mortgage or the Loan Documents or both or to a decree coercing performances of any of the provisions of any of the foregoing.

7.4 Credit of Mortgage: Upon any sale made under or by virtue of this Article, Mortgagee may bid for and acquire the Mortgaged Property and in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the Indebtedness the amount of Mortgagee's bid.

7.5 No Conditions Precedent to Exercise of Remedies: Neither Mortgagor, nor any other person or entity now or hereafter obligated for payment of all or any part of the Indebtedness shall be relieved of such obligation by reason of the failure of Mortgagee to comply with any request of Mortgagor or of any other person so obligated to take action to foreclose on this Mortgage or otherwise enforce any provisions of the Security Documents, the Note or any of the Loan Documents, or by reason of the release, regardless of consideration, of all or any part of the Mortgaged Property (or any collateral), or by reason of any agreement or stipulation between any subsequent owner of the Mortgaged Property and Mortgagee extending the time of payment or modifying the terms of the Security Documents, the Note or any of the Loan Documents without first having obtained the consent of Mortgagee and in the latter event Mortgagor and all such other persons shall continue to be liable to make payment according to the terms of any such extension or modification agreement, unless expressly released and discharged in writing by Mortgagee.

7.6 Release of Collateral, Effect on Subordinate Liens: Mortgagee may release, regardless of consideration, any part of the Mortgaged Property, any other collateral, or Obligations without, as to the remainder of the security, in any way impairing or affecting the lien of the Security Documents and Loan Documents or their priority over any subordinate lien. The holder of any subordinate lien (approved by Mortgagee in writing) by the acceptance of such subordinate lien agrees to be bound by the terms of this paragraph.

7.7 Other Collateral: For payment of the Indebtedness, Mortgagee may resort to any other security therefore, if any, held by Mortgagee in such order and manner as Mortgagee may elect without affecting its remedies under this Mortgage, to the maximum extent permitted by the laws of the state in which the Mortgaged Property is situated.

7.8 Waiver of Redemption, Notice, Marshaling, Etc.: Mortgagor hereby waives and releases, to the maximum extent permitted by the laws of the state in which the Mortgaged Property is situated:

(a) all benefit that might accrue to Mortgagor by virtue of any present or future law exempting the Mortgaged Property, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale on execution, or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment, and

(b) unless specifically required herein, all notices of Mortgagor's default, default of the Makers of the Note if different from Mortgagor, or of Mortgagee's election to exercise, or Mortgagee's actual exercise, of any option or remedy under the Note, the Security Documents or any of the Loan Documents, and

(c) any right to have the Mortgaged Property marshaled; provided that if any of the rights waived by Mortgagor in this paragraph affect or extend the time for sale of the Mortgaged Property, affect Mortgagee's rights to enforce this Mortgage or affect Mortgagor's right to redeem, Mortgagee shall have the right to elect to accept or reject the waiver of

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such right by Mortgagor, and such election may be made by Mortgagee at the time of or at any time prior to the entry of a decree or judgment of foreclosure in the court in which this Mortgage is being foreclosed.

7.9 Discontinuance of Proceedings: In case Mortgagee shall have proceeded to enforce any right under the Note, the Security Documents or any of the Loan Documents and such proceedings shall have been discontinued or abandoned for any reason by Mortgagee, then in every such case Mortgagor and Mortgagee shall be restored to their former positions and the rights, remedies and powers of Mortgagee shall continue as if no such proceedings had been instituted.

7.10 Application of Proceeds: The proceeds of any sale of all or any portion of the Mortgaged Property shall be applied by Mortgagee in the following order:

- (a) first, to the payment of receiver's fees and expenses, to the payment of Mortgagee's attorney's fees and other legal expenses and to the payment of costs and expenses of Mortgagee in connection with proceedings under this Article;
- (b) second, to the payment of any other sums due Mortgagee hereunder (other than the Note) and accrued interest;
- (c) third, to the payment of accrued and unpaid interest on the Note; and
- (d) fourth, to the payment of the unpaid principal balance of the Note; or
- (e) in such order as required by the laws of the state in which the Mortgaged Property is situated.

Mortgagor shall be and remain liable to Mortgagee for any deficiency to the extent permitted by the laws of the state in which the Mortgaged Property is situated until all of the Indebtedness is paid in full.

ARTICLE VIII**CONDEMNATION**

8.1 Condemnation: Mortgagor hereby assigns, transfers and sets over to Mortgagee for application on account of the Indebtedness all rights of Mortgagor to any award or payment with respect to (a) any taking of the Mortgaged Property as a result of, or by agreement in lieu of, the exercise of the right of condemnation or eminent domain; (b) any such taking of (i) any appurtenances to the Mortgaged Property or of vaults, areas or projections outside the boundaries of the Mortgaged Property, (ii) rights in, under or above or of access to the alleys, streets or avenues adjoining or crossing the Mortgaged Property or (iii) rights and benefits of light, air or view appurtenant to the Mortgaged Property; and (c) any damage to the Mortgaged Property due to governmental action, but not resulting in, a taking of any portion of the Mortgaged Property, such as, without limitation, the changing of the grade of any street adjacent to the Mortgaged Property. Mortgagor hereby agrees to file and prosecute its claim or claims for any such award or payment in good faith and with due diligence and cause the same to be collected and paid over to Mortgagee, and hereby irrevocably authorizes and empowers Mortgagee, in the name of Mortgagor or otherwise, to collect and issue a receipt for any such award or payment and, in the event Mortgagor fails to act, or in the event that an Event of Default has occurred and is continuing, to file and prosecute such claim or claims and to accept any such award or payment without obligation to question the amount thereof. Mortgagee may participate in any such proceedings and Mortgagor from time to time will deliver to Mortgagee all instruments requested by it to permit such participation.

8.2 Application of Proceeds: All proceeds received by Mortgagee under paragraph 8.1 shall be applied as follows, in the order of priority indicated.

- (a) to reimburse Mortgagee for all costs and expenses, including reasonable attorney's fees, incurred in connection with the taking or otherwise hereunder;
- (b) to the payment of accrued and unpaid interest on the Note at the Interest Rate specified therein regardless of the rate of interest payable on the award or payment by the condemning authority;
- (c) to the prepayment of the unpaid principal of the Note, without premium; and
- (d) to the prepayment of the balance of the Indebtedness, if any. The balance of the proceeds, if any, will be paid to Mortgagor.

ARTICLE IX**ASSIGNMENT OF LEASES AND RENTS**

9.1 Approval of Lease: Mortgagor covenants and agrees not to execute and deliver any Lease without written approval of the Lease by Mortgagee.

9.2 Assignment of Lease: In order to secure further the payment of the Indebtedness and the observance, performance and discharge of the Obligations, Mortgagor hereby sells, assigns, transfers and sets over to Mortgagee all of Mortgagor's right, title and interest in, to and under the Leases, if any, and in and to the Rents.

9.3 Performance Under Leases: Mortgagor covenants and agrees that it will, at its cost and expense, perform and discharge, or cause to be performed and discharged, all of the obligations and undertakings of Mortgagor or its agents under the Leases and will use its best efforts to enforce or secure, or cause to be enforced or secured, the performance of each and every obligation and undertaking of the respective tenants under the Leases, and will appear in and defend, at its cost and expense, any action or proceeding arising under or in any manner connected with the Leases or the obligations and undertakings of any tenant thereunder.

9.4 No Rent Prepayments: Mortgagor, without written approval of Mortgagee, shall not assign or otherwise encumber future rental payments under the Leases or collect or accept Rent for more than one (1) month in advance.

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9.5 No Obligation of Mortgagee: This Assignment shall not be deemed or construed to constitute Mortgagee as a mortgagee in possession of the Mortgaged Property nor to obligate Mortgagee to take any action or to incur expenses or perform or discharge any obligation, duty or liability of Mortgagor under any Lease.

9.6 Payment of Rents to Mortgagor Until Default: Unless and until an Event of Default occurs, Mortgagor shall be entitled to collect the Rents as and when they become due and payable. Mortgagor hereby agrees that the respective tenants under the Leases, upon notice from Mortgagee of the occurrence of an Event of Default, shall thereafter pay to Mortgagee the Rents due and to become due under the Leases without any obligation to determine whether or not such an Event of Default does in fact exist.

9.7 Termination or Modification: Mortgagor will not (i) without the prior written consent of Mortgagee, terminate or consent to the cancellation or surrender of any Lease of the Mortgaged Property, now existing or hereafter to be made, or (ii) execute and deliver a modification of any Lease without prior written consent to the modification by Mortgagee, or (iii) release any guarantor of any Lease, the parties acknowledging that the existing lease described in the title commitment provided to Mortgagee will be terminated concurrently herewith.

9.8 Cumulative Remedies: Each and every right, remedy and power granted to Mortgagee by this Article shall be cumulative and in addition to any other right, remedy and power given by the Note and the Loan Documents, or now or hereafter existing in equity, at law or by virtue of statute or otherwise. The failure of Mortgagee to avail itself of any of the rights and remedies hereof shall not be construed or deemed to be a waiver of any rights thereof. These rights may be exercised singularly or jointly in conjunction with the Assignment of Leases and Rents at any time, at Mortgagee's election.

ARTICLE X SECURITY AGREEMENT

10.1 Security Interest: This Mortgage constitutes a "Security Agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the state in which the Fixtures (and Personal Property, if any) are located, with respect to the Fixtures (and Personal Property, if any).

10.2 Financing Statements: Mortgagor agrees to and shall execute and deliver to Mortgagee, in form and substance satisfactory to Mortgagee, such Financing Statements, continuation statements, and such further assurances as Mortgagee may from time to time consider reasonably necessary to create, perfect, preserve and maintain in full force and effect Mortgagee's liens upon the Fixtures (and Personal Property, if any), and to give public notice thereof, and Mortgagee, at the expense of Mortgagor, may or shall cause such statements and assurances to be recorded and re-recorded, filed and re-filed, at such times and places as may be required or permitted by law to so create, perfect, preserve and maintain such liens and public notice thereof.

10.3 Uniform Commercial Code: Mortgagee shall have all the rights and remedies with respect to the Fixtures (and Personal Property, if any) afforded to it by the Uniform Commercial Code as adopted by the state in which the Fixtures (and Personal Property, if any) are located, in addition to, but not in limitation of, the other rights afforded Mortgagee by the Security Documents.

ARTICLE XI MISCELLANEOUS

11.1 Survival of Warranties and Covenants: The warranties, representations, covenants and agreements set forth in the Security Documents and the Loan Documents shall survive the making of the loan evidenced by the Note and the execution and delivery of the Note and other Loan Documents, and shall continue in full force and effect until the Indebtedness shall have been paid in full.

11.2 Further Assurances: Mortgagor, upon the reasonable request of Mortgagee, will execute, acknowledge and deliver such further instruments (including, without limitation, a declaration of no set-off) and do such further acts as may be necessary, desirable or proper to carry out more effectively the purpose of this Mortgage and to subject to the lien hereof any property intended by the terms hereof, to be covered thereby and any renewals, additions, substitutions, replacements or betterments thereto.

11.3 Recording and Filing: Mortgagor, at its expense, will cause such of the Security Documents and Loan Documents and all supplements thereto for which constructive notice must be given to protect Mortgagee at all times, to be recorded and filed, and re-recorded and re-filed, in such manner and in such places as Mortgagee shall reasonably request, and will pay all such recording, filing, re-recording, re-filing taxes, fees and other charges to the maximum extent permitted by the laws of the state in which the Mortgaged Property is situated.

11.4 Loan Expenses: To the extent permitted by the laws of the state in which the Mortgaged Property is situated, Mortgagor shall pay all costs and expenses in connection with the preparation, execution, delivery, recording and performance of the Security Documents and Loan Documents, including, but not limited to, fees and disbursements of counsel appointed by Mortgagee to prepare the Loan Documents, implementing the Commitment and closing the loan transaction, recording costs and expenses, stamp and other taxes, surveys, appraisals and policies of the title and casualty insurance.

11.5 No Representation by Mortgagee: By accepting or approving anything required to be observed, performed or fulfilled, or to be given to Mortgagee, pursuant to the Security Documents and/or the Loan Documents, including but not

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limited to any officer's certificate, balance sheet, statement of income, profit and loss or other financial statement, survey or appraisal, Mortgagee shall not be deemed to have warranted or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not be or constitute any warranty or representation with respect thereto by Mortgagee.

11.6 **Notice:** All notices, demands, requests and other communications required under the Security Documents and/or the Loan Documents and the Note shall be in writing and shall be deemed to have been properly given when deposited in the United States mail and sent by United States first class mail, postage prepaid, or recognized overnight courier, addressed to the party for whom it is intended at its address set forth in the preamble hereof. Any party may designate a change of address by written notice to the others, given at least ten (10) days before such change of address is to become effective.

11.7 **Mortgagee's Right to Perform the Obligations:** If Mortgagor shall fail to make (or cause to be made) any payment or perform any Obligation or other act required by the Note, the Security Documents, and/or the Loan Documents, then, at any time thereafter without notice to or demand upon Mortgagor, except as herein provided, and without waiving or releasing any remedy, Obligation, Default or Event of Default, Mortgagee may make such payment or perform such act for the account of and at the expense of Mortgagor, and shall have the right to enter the Mortgaged Property for such purpose and to take all such action thereon and with respect to the Mortgaged Property as may be necessary or appropriate for such purpose. All sums so paid by Mortgagee, and all costs and expenses, including, without limitation, reasonable attorney's fees and expenses so incurred, together with interest thereon at the Default Rate from the date of payment, shall constitute a part of the Indebtedness and shall be paid by Mortgagor to Mortgagee on demand. If Mortgagee shall elect to pay any Imposition, or other sum which Mortgagor is allegedly obligated to pay, Mortgagee shall give written notice of such election to Mortgagor and if Mortgagor fails to pay such Imposition or other sum within ten (10) days after giving said notice, Mortgagee may do so in reliance on any bill, statement or assessment procured from the appropriate governmental or non-governmental office, without inquiring into the accuracy, amount or validity of such Imposition or other sum provided Mortgagor has not contested such Imposition under Paragraph 4.11. Similarly, in making any payments to protect the security intended to be created by the Security Documents and Loan Documents, Mortgagee shall not be bound to inquire into the accuracy, amount or validity of any apparent or threatened adverse title, lien, encumbrance, claim or charge before making an advance for the purpose of preventing or removing the same, provided Mortgagee has given Mortgagor the ten (10) days' written notice as previously described. Mortgagor shall indemnify Mortgagee for all losses and expenses, including reasonable attorney's fees, incurred by reason of any acts performed by Mortgagee pursuant to the provisions of this paragraph, and any funds expended by Mortgagee to which it shall be entitled to be indemnified, together with interest thereon at the Default Rate from the date of such expenditures, shall constitute additions to the Indebtedness and shall be secured by the Security Documents and Loan Documents and shall be paid by Mortgagor to Mortgagee upon demand.

11.8 **Covenants Running With the Mortgaged Property:** All covenants contained in the Security Documents and Loan Documents shall be binding on the Mortgagor and shall run with the Mortgaged Property.

11.9 **Successors and Assigns:** All of the terms of this Mortgage shall apply to and be binding upon, and inure to the benefit of, the heirs, devisees, personal representatives, successors and assigns of Mortgagor and Mortgagee, respectively, and all persons claiming under or through them.

11.10 **Severability:** In case any one or more of the Obligations or any covenants contained herein or in any of the Loan Documents or Security Documents, shall be invalid, illegal or unenforceable in any respect, the validity of the remaining Obligations or covenants shall be in no way affected, prejudiced or disturbed thereby.

11.11 **Modification:** This Mortgage may not be changed, waived, discharged, released or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge, release or termination is asserted.

11.12 **Applicable Law:** This Mortgage shall be governed by and construed according to the laws in effect in the State of Illinois.

11.13 **Strict Performance:** Any failure by Mortgagee to insist upon strict performance by Mortgagor of any of the terms and provisions of the Loan Documents or Security Documents or of the Note shall not be deemed to be a waiver of any of the terms or provisions of the Loan Documents or Security Documents or the Note, and Mortgagee shall have the right thereafter to insist upon strict performance by Mortgagor of any and all of them. Time is strictly of the essence with respect to this Mortgage and Mortgagor's performance hereunder.

11.14 **Headings:** The article headings and the section and subsection entitlements hereof are inserted for convenience of reference only, and shall in no way alter or modify the text or substance of such articles, paragraphs and subparagraphs.

11.15 **Gender, etc.:** The use of any gender shall include all other genders. The singular shall include the plural and the plural shall include the singular.

11.16 **Time of Essence:** Time is specifically made of the essence with respect to the performance by the Mortgagor and Maker of the Note if different from Mortgagor.

11.17 **Relief from Automatic Stay:** The Mortgagor hereby agrees that, in consideration of the Mortgagee funding the Loan, in the event that the Mortgagor, or any of the Guarantors shall (i) file with any bankruptcy court of competent

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jurisdiction or be the subject of any petition under Title 11 of the United States Code, as amended ("Title 11"); (ii) be the subject of any order for relief issued under Title 11; (iii) file or be the subject of any petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal or state act or law relating to insolvency or bankruptcy, or other relief from creditors for debtors; (iv) have sought or consented to or acquiesced in the appointment of any trustee, receiver, conservator, or liquidator; (v) be the subject of any order, judgment, or decree entered by any court of competent jurisdiction approving a petition filed against such party for any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future federal or state act or law relating to insolvency or bankruptcy, or other relief from creditors for debtors, the Mortgagee shall thereupon be entitled to relief from any automatic stay imposed by Section 362 of Title 11, or otherwise, on or against the exercise of the rights and remedies otherwise available to the Mortgagee under this Mortgage and the Loan Documents, and as otherwise provided by law.

**ARTICLE XII
CHANGES IN LAW**

In the event of the passage, after the date of this Mortgage, of any law (a) making it illegal for the Mortgagor to pay the whole, or any part of the Impositions, taxes or assessments or charges or liens herein required to be paid by Mortgagor excepting any income taxes or (b) rendering the payment by Mortgagor of all taxes levied or assessed upon the Security Documents or Loan Documents or the interest in the Mortgaged Property represented thereby unlawful, or (c) rendering the covenants for the payment of the matters set forth in subparagraphs (a) and (b) of this paragraph by the Mortgagor legally inoperative, the entire unpaid balance of the Indebtedness shall, after thirty (30) days' written notice to Mortgagor, become immediately due and payable, anything in the Note or the Security Documents or Loan Documents to the contrary notwithstanding.

**ARTICLE XIII
ADDITIONAL PROVISIONS**

- 13.1 Notice of Sale of Mortgaged Property; Indebtedness Due on Sale of Mortgaged Property: Mortgagor shall give immediate written notice to the Mortgagee of any proposed sale, conveyance, transfer or change of ownership of the Mortgaged Property, the Mortgaged Property, or any part thereof. In the event the Mortgaged Property, or any portion of same, or any legal, equitable or beneficial interest in the Mortgaged Property (or any portion of same) is sold, conveyed, transferred and/or mortgaged without the prior written consent of the Mortgagee, (which may be unreasonably withheld) or any interest in Mortgagor (or any portion of any interest) is sold, transferred, conveyed, assigned, pledged, mortgaged and/or alienated, then, at the option of the Mortgagee and notwithstanding any provision of this Mortgage or the Note or the Security Documents or the Loan Documents to the contrary, same shall be an Event of Default under Article VI of this Mortgage, and Mortgagee may declare the entire Indebtedness to be immediately due and payable. Notwithstanding anything to the contrary (if same is in fact expressly provided), Mortgagor shall have no grace period in which to cure an Event of Default arising under this Article. Failure of Mortgagee to exercise this option shall not constitute a waiver of its right to exercise such option in the event of any subsequent sale, conveyance, or transfer under this paragraph 13.1.
- 13.2 Maximum Rate of Interest: Anything in the Note, this Mortgage, the Loan Agreement, or any other agreements or arrangements by the Mortgagor in connection with the loan evidenced by the Note to the contrary notwithstanding, if from any circumstances whatever fulfillment of any provision of any of the foregoing documents or agreements at the time performance of said provision shall be due shall involve transcending the limit of validity prescribed by the usury laws applicable in the state where the Mortgaged Property is located as preempted and prescribed from time to time by the laws of the United States of America or any rule or regulation of any department or agency thereof, then, *ipso facto* the obligation to be fulfilled shall be reduced to the limit of such validity so that in no event shall exaction be possible under any of the aforesaid documents or agreements in excess of the limit of such validity, but such obligation shall be fulfilled to the limit of such validity, and if under any circumstances whatsoever interest in excess of the limit of such validity will have been paid by the Mortgagor in connection with the loan evidenced by the Note, such excess shall be applied by Mortgagee to the unpaid principal balance of the Note or refunded to the Mortgagor, the manner of handling such excess to be at Mortgagee's election, and in case any such excess interest has accrued, the Mortgagee shall eliminate such excess interest so that under no circumstances shall interest on the loan evidenced by the Note exceed the maximum rate allowed by applicable law as preempted and prescribed from time to time by the laws of the United States of America or any rule or regulation of any department or agency thereof.
- 13.3 Future Advances: This Mortgage is given to secure not only the existing Indebtedness, but also such Future Advances, whether such advances are obligatory or are to be made at the option of Mortgagee, or otherwise, as are made within twenty years from the date hereof, to the same extent as if such Future 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 four (4) times the face amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property, or other monies expended to protect the security of Mortgagee, with interest on such disbursements. Nothing contained herein shall in anyway be construed to obligate Mortgagee to make any future advances.
- 13.4 Mortgagor to Furnish Financial Statements:

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(a) The Mortgagor agrees to furnish (at Mortgagor's expense) Mortgagee complete accurate and compiled financial statements of Mortgagor's and Guarantors' operations and conditions at least annually, compilation to be done by Mortgagor's and Guarantors' Certified Public Accountants, and to furnish an annual compiled statement until the Loan is paid in full. These statements must reflect income and expenses and changes in assets and liabilities during the given period, all prepared in accordance with generally accepted accounting principals. Accuracy of these statements is to be personally certified by the Mortgagor and Guarantors. Mortgagee retains the right to ask for interim statements on a more frequent basis. Failure to furnish such statements shall be an Event of Default under Article VI of this Mortgage.

(b) All Federal Tax Returns of Mortgagor and Guarantors shall be furnished annually, or more frequently if requested by Mortgagee, within thirty (30) days of the filing date, and all amendments thereto shall likewise be furnished to Mortgagee. Failure to furnish such tax returns shall be an Event of Default under Article VI of this Mortgage under the same conditions. In the event an extension is sought, a copy of the extension request shall be provided upon its filing within the period allowed for extension.

(c) Mortgagor shall annually, until the Indebtedness has been fully paid, furnish Mortgagee statements of earnings for the Mortgaged Property described in and encumbered hereby for each fiscal year of the Mortgagor and Guarantors in such detail as the Mortgagee may reasonably require, showing gross income and detailed operating expenses of and balance sheet for the operation of the properties encumbered by this Mortgage or by other instruments securing the Note, and including where applicable the annual rent roll, other income and sales volume of tenants where leases provide for payment of rentals based on percentages of volume of business done. Each such statement shall be for and cover a whole fiscal year. Such statements shall be furnished not later than thirty (30) days after the end of Mortgagor's fiscal year. Failure to furnish such statements shall be an Event of Default under Article VI of this Mortgage. Further, all financial statements/reports shall follow generally accepted accounting procedures. Mortgagor shall maintain substantial similar accounting procedures as those in use when this Loan was approved unless Mortgagee is notified in writing of a change and consents to such change. Mortgagee reserves the right to request such additional accounting and reports as Mortgagee, in its sole discretion, deems necessary.

(d) In addition to the above, the Mortgagor shall furnish (or cause to be furnished) to Mortgagee such additional financial reports and records when requested by Mortgagee.

(e) All of the above financial statements and tax returns must be acceptable to Mortgagee.

13.5 Loan Agreement: Mortgagor agrees to fully, duly and promptly discharge each and every of its agreements contained in the Loan Agreement and comply with, abide by and perform all of terms and conditions thereof. The Loan Agreement contains various other agreements with respect to the loan. Any Event of Default under the provisions of the Loan Agreement and/or the Loan Documents shall be and constitute an Event of Default under the terms of this Mortgage and any Event of Default under this Mortgage shall constitute an Event of Default under all of the Loan Documents. Upon the occurrence of an Event of Default, Mortgagee may, at its option, cease making advances to Mortgagor under the Note and take such other action as it may deem necessary to protect its security. Mortgagee shall not be required to determine whether the loan proceeds disbursed to the Mortgagor are applied in accordance with the provisions of the Loan Agreement or any other document pertaining to the loan hereby secured.

13.6 Non-Homestead Status: The Mortgaged Property does not constitute the homestead of Mortgagor and is commercial rental property.

13.7 Waiver of Right to Jury Trial: MORTGAGOR HEREBY WAIVES ANY OBJECTION TO VENUE BEING IN COURTS LOCATED IN COOK COUNTY, ILLINOIS, FOR ANY DISPUTE ARISING OUT OF THE LOAN. MORTGAGOR AND MORTGAGEE HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY AGREE NOT TO SEEK A TRIAL BY JURY AND WAIVE ANY RIGHTS TO HAVE SAME IN RESPECT OF ANY LITIGATION (INCLUDING BUT NOT LIMITED TO ANY CLAIMS, CROSS-CLAIMS, THIRD PARTY CLAIMS) ARISING IN CONNECTION WITH THE MORTGAGE, THE LOAN DOCUMENTS, AND THE TRANSACTIONS CONTEMPLATED THEREIN AND ALL AND ANY COMBINATION OF THE FOREGOING. MORTGAGOR ACKNOWLEDGES THAT THE MORTGAGEE HAS BEEN INDUCED TO ENTER INTO THE LOAN BY, INTER ALIA, THE PROVISIONS OF THIS PARAGRAPH.

[SIGNATURE PAGE TO FOLLOW]

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[SIGNATURE PAGE TO MORTGAGE AND SECURITY AGREEMENT]

WITNESS WHEREOF, the Mortgagor has executed this instrument as of the day and year first above written

[Signature]
Print: RAO MYSATHI

[Signature]
Michael A. Hammad

[Signature]
Print: PATRICIA LYONS

STATE OF FLORIDA
COUNTY OF MIAMI-DADE

I hereby certify that the foregoing instrument was acknowledged before me this May 30, 2008, by Michael A. Hammad, who is personally known to me or has produced DL as identification and did not take an oath.

[Signature]
Sign: _____
Notary Public
Print: _____
My commission expires _____

 **Patricia L. Lyons**
Commission # 00499175
Expires February 20, 2010
Patricia L. Lyons Insurance No. 800-247-1778

Property of Cook County Clerk's Office

[Handwritten initials]

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Exhibit "A"

Lots 6 through 16 in block 7 in H. B. Bryant's addition to Chicago, in the West ½ of the Southwest ¼ of section 9, township 38 North, range 14 East of the third principal meridian, in Cook County, Illinois.

PIN NOS : 20-09-328-022,
20-09-328-023,
20-09-328-024,
20-09-328-025,
20-09-328-036,
20-09-328-037

Property of Cook County Clerk's Office


M.A.

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EXHIBIT "B"

PERMITTED ENCUMBRANCES

Property of Cook County Clerk's Office



UNOFFICIAL COPY**EXHIBIT "C"
PERSONALTY**

"Mortgagor" is referred to as "Debtor" and "Mortgagee" is referred to as "Secured Party".

All buildings and improvements of every kind and description now or hereafter located upon the real property or any part thereof located in Cook County, Illinois described as follows (the "Property"): See Exhibit "A" attached hereto and by reference made a part hereof.

All and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, and the reversion or reversions, remainder and remainders, rents, issues and profits thereof; and also all the estate, title, interest, property, claim and demand whatsoever of Debtor, of, in and to the same and of, in and every part and parcel thereof.

All right, title and interest of Debtor, if any, in and to the land lying in the bed of any street, road or avenue, opened or proposed, in front of or adjoining the Property to the center line thereof.

All easements, rights-of-way, gores of land, ways, alleys, passages, sewer right, waters, water courses, water rights and powers, riparian and littoral rights, docks and dockage rights, and all estate, rights, titles, interests, privileges and liberties of any nature whatsoever, in any way belonging, relating or pertaining to the Property.

All furniture, furnishings, fixtures, equipment, inventory, goods and articles of personal property now or at any time hereafter attached to or used in any way in connection with the use, operation and occupation of the buildings erected on the Property or any part thereof including but without being limited to all heating, lighting and plumbing fixtures and used at any time in the operation, use and occupation of any of the buildings on the Property and dynamos, motors, furnaces, fire prevention and extinguishing apparatus, cooling systems, plants, apparatus, tools, machinery, fittings, dispensers, facade, signs, pumps, canopy, computers, furnishings and fixtures of every kind whatsoever at any time used in or about or upon the Property, except personal property, if any, belonging to others than the Debtor, located on the Property, it being understood and agreed, however, that any renewal, replacement or substitution of any and all such equipment shall be purchased by Debtor and when paid for be owned by it, and all of the right, title and interest of Debtor in and to the equipment which may be subject to any title retention or security agreement superior in lien to the lien of the mortgage.

Any and all award or payments, including interest thereon, and the right to receive the same, which may be made with respect to the Property as a result of (a) the exercise of the right of eminent domain, (b) the alteration of the grade of any street, or (c) any other injury to or decrease in the value of the Property, to the extent of all amounts which may be secured by the Mortgage at the date of receipt of any such award or payment by Secured Party, and of the reasonable attorneys' fees, costs and disbursements, incurred by Secured Party in connection with the collection of such award of payment.

All building materials that may be placed on the Property during the existence of this lien and all bonuses and royalties on the Property and further, all rents, royalties, profits, revenues, incomes and other benefits arising from the use or enjoyment of the Property or from any contract pertaining to such use or enjoyment.

All leases and contracts for sale now and hereafter entered into involving the Property or any part thereof, and all right, title and interest of Debtor thereunder, including, without limitation, cash or securities deposited thereunder to secure performance by the leases or contract vendees of their obligations.

All of Debtor's right, title and interest in all leases including, but not limited to all leases of equipment permitted hereunder if any, and in said leased equipment.

All right, title and interest of Debtor to plans and specifications, designs, drawings and other matters prepared for any construction on the Property.

All good will, trademarks, trade names, option rights, purchase contract, books and records and general intangibles of Debtor relating to the Property, all licenses or permits in connection with the construction on or operation of the Property, all accounts, instruments, chattel paper and other rights of Debtor for payment of money for property sold or loaned, for services rendered, for money loaned, or for advances or deposits made and any other intangible property of Debtor related to the Property.

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All rights of Debtor under all contracts now or hereafter made with any provider of goods or services for or in connection with any construction undertaken on, or services performed or to be performed in connection with the Property, including the architect's agreement and the construction contract which have been or will be entered into by Debtor for the design and construction of the Property.

All rights of Debtor under any agreement, contract, understanding or arrangement.

All assets of Debtor including, but not limited to, those obtained and/or used in connection with the business operated at the Property ("Business"), which further includes but is not limited to those set forth on the Rider attached as follows: N/A

All insurance policies now or hereafter in effect with respect to the Property, or any portion thereof, any unearned premiums thereon, and all proceeds thereof.

All other property or rights of Debtor of any kind or character related to the Property and/or the Business and all proceeds and products of any of the foregoing, all of the foregoing including such property whether now or hereafter existing or acquired.

Any reference herein to the "Property" shall be deemed to apply to the land described above and said improvements, buildings, fixtures, equipment, and materials, and the rents, profits and leases thereof, and said tenements, hereditaments, easements and appurtenances, and all of the other above-mentioned rights or property interest.

All accounts, accounts receivables, notes and contract rights of Debtor, whether now existing or hereafter acquired, all chattel paper and instruments, whether now existing or hereafter acquired, evidencing any obligation to Debtor for payment of goods sold or leased or services rendered; all interest of the Debtor in any goods, the sale or lease of which shall have given or shall give rise to any of the foregoing; all as more particularly described in Illinois Statutes and at common law; and the proceeds of any of the foregoing.

All accounts of Debtor, including but not limited to all bank accounts, brokerage accounts, and/or investment accounts with Secured Party.